

Gas Utilities Docket No. 9400

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## TXU Gas - Pipeline and Distribution

Gas Utilities Docket No. 9400

### Schedule X (P) and (D) - Overall Summary

Line No.	Description (a)	Present Rates (b)	TXU			Final Order		
			Proposed Rates (c)	Proposed Increase (d)	Percent Increase (e)	Rates (f)	Change (g)	Percent Change (h)
1	<b>Revenue - Distribution</b>							
2	Residential	\$ 520,245,667	\$ 572,319,909	\$ 52,074,242	10.01%	\$ 547,079,050	\$ 26,833,383	5.16%
3	Commercial	263,687,465	266,221,643	2,534,178	0.96%	241,642,281	(22,045,184)	-8.36%
4	Industrial/Transportation	39,027,948	38,121,394	(906,555)	-2.32%	28,357,835	(10,670,113)	-27.34%
5	Other Revenue	9,982,624	17,882,194	7,899,570	79.13%	17,882,192	7,899,568	79.13%
6	<b>Total</b>	<b>832,943,704</b>	<b>894,545,140</b>	<b>61,601,436</b>	<b>7.40%</b>	<b>834,961,358</b>	<b>2,017,654</b>	<b>0.24%</b>
7	<b>Revenue - Pipeline</b>							
8	City Gate Transportation	69,037,282	76,077,708	7,040,426	10.20%	76,101,215	7,063,933	10.23%
9	Pipeline Transportation	25,556,087	25,556,087	-	0.00%	28,169,472	2,613,386	10.23%
10	Other Revenue	32,983,412	32,983,412	-	0.00%	32,983,412	-	0.00%
11	<b>Total</b>	<b>127,576,780</b>	<b>134,617,207</b>	<b>7,040,426</b>	<b>5.52%</b>	<b>137,254,099</b>	<b>9,677,319</b>	<b>7.59%</b>
12								
13	<b>Total Distribution and Pipeline</b>	<b>\$ 960,520,485</b>	<b>\$ 1,029,162,347</b>	<b>\$ 68,641,862</b>	<b>7.15%</b>	<b>\$ 972,215,457</b>	<b>\$ 11,694,973</b>	<b>1.22%</b>
14								
15								
16	<b>Total Revenue Requirement</b>							
17								
18	Gas Cost - Commodity		\$ 459,466,746			\$ 459,466,746		
19								
20	Operation and Maintenance Expenses		248,837,196			233,376,325		
21								
22	Taxes Other than Income Taxes		81,449,442			77,959,401		
23								
24	Depreciation and Amortization Expense		77,611,032			69,719,480		
25								
26	Interest on Customer Deposits		1,472,587			1,472,587		
27	Interest on Customer Advances		124,993			124,993		
28								
29	Federal Income Taxes		39,934,969			32,086,890		
30								
31	Return on Rate Base		120,265,382			98,008,615		
32								
33	<b>Total Revenue Requirement</b>		<b>\$ 1,029,162,347</b>			<b>\$ 972,215,038</b>		

Note: The above figures include the cost of gas.

419

**TXU Gas - Distribution**

Gas Utilities Docket No. 9400

**Schedule A (D) - Customer Class Allocation Summary**

LINE NO.	DESCRIPTION	TOTAL SYSTEM	TOTAL RESIDENTIAL	CUST CLASS ALLOCATION %	TOTAL COMMERCIAL	CUST CLASS ALLOCATION %	TOTAL TRANSPORT	CUST CLASS ALLOCATION %
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	TXU Proposed Total Cost of Service	\$ 952,083,963	\$ 615,629,992	<b>64.66%</b>	\$ 288,277,136	<b>30.28%</b>	\$ 48,207,442	<b>5.06%</b>
2								
3	TXU Proposed Total Cost of Service w/ Equalized ROR	\$ 952,083,964	\$ 639,509,230	<b>67.17%</b>	\$ 278,194,568	<b>29.22%</b>	\$ 34,380,166	<b>3.61%</b>
4								
5	<b>Cost of Service - Final Order</b>	\$ 892,523,688	\$ 584,781,805	<b>65.52%</b>	\$ 262,754,306	<b>29.44%</b>	\$ 44,987,577	<b>5.04%</b>

**TXU Gas - Distribution**

Gas Utilities Docket No. 9400

**Schedule B (D) - Systemwide Cost of Service**

Line No.	Description	Present Rates	TXU's Proposal			Final Order		
			Proposed COS	Proposed Increase	Percent Increase	COS	Increase (Decrease)	Percent Increase (Decrease)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	<b>Operating Revenue</b>							
2	Residential (non-Pipeline costs)	\$ 520,249,482	\$ 572,053,407	\$ 51,803,925	9.96%	\$ 547,079,050	\$ 26,829,568	5.16%
3	Residential (Pipeline costs)	39,388,414	43,576,585	4,188,171	10.63%	37,702,756	(1,685,658)	-4.28%
4	<b>Total Residential</b>	559,637,896	615,629,992	55,992,096	10.01%	584,781,805	25,143,909	4.49%
5								
6	Commercial (non-Pipeline costs)	263,679,080	266,064,161	2,385,081	0.90%	241,642,281	\$ (22,036,799)	-8.36%
7	Commercial (Pipeline costs)	20,078,084	22,212,975	2,134,891	10.63%	21,112,025	1,033,941	5.15%
8	<b>Total Commercial</b>	283,757,164	288,277,136	4,519,972	1.59%	262,754,306	(21,002,858)	-7.40%
9								
10	Industrial/Transportation (non-Pipeline costs)	39,028,838	38,050,850	(977,988)	-2.51%	28,357,835	\$ (10,671,003)	-27.34%
11	Industrial/Transportation (Pipeline costs)	9,180,436	10,156,592	976,156	10.63%	16,629,742	7,449,306	81.14%
12	<b>Total Industrial/Transportation</b>	48,209,274	48,207,442	(1,832)	0.00%	44,987,577	(3,221,697)	-6.68%
13								
14	Total (non-Pipeline costs)	822,957,400	876,137,810	53,180,410	6.46%	817,079,166	\$ (5,878,234)	-0.71%
15	Total (Pipeline costs)	68,646,934	75,946,153	7,299,219	10.63%	75,444,523	6,797,589	9.90%
16	<b>Total Operating Revenue</b>	891,604,334	952,083,963	60,479,629	6.78%	892,523,689	919,355	0.10%
17								
18	<b>Total Other Revenue</b>	9,982,624	17,882,194	7,899,570	79.13%	17,882,192	7,899,568	79.13%
19								
20	<b>Total Operating and Other Revenue</b>	\$ 901,586,958	\$ 969,966,157	\$ 68,379,199	7.58%	\$ 910,405,881	\$ 8,818,922	0.98%
21								
22								
23	<b>Total Revenue Requirement</b>							
24								
25	Operating Expenses							
26	Gas Cost		\$ 459,466,746			\$ 459,466,746		
27	Pipeline Costs		75,946,153			75,444,523		
28	<b>Total Gas Cost</b>		535,412,899			534,911,269		
29								
30	Operation and Maintenance Expenses		175,843,811			164,130,220		
31								
32	Taxes Other than Income Taxes		73,801,939			70,374,371		
33								
34	Depreciation and Amortization Expense		61,921,258			55,042,990		
35								
36	Interest on Customer Deposits		1,472,587			1,472,587		
37	Interest on Customer Advances		124,993			124,993		
38								
39	Federal Income Taxes		30,220,354			20,785,888		
40								
41	Return on Rate Base		91,168,316			63,563,562		
42								
43	<b>Total Revenue Requirement</b>		\$ 969,966,157			\$ 910,405,880		

Note: The above figures include the cost of gas.

**TXU Gas - Distribution**

Gas Utilities Docket No. 9400

**SCHEDULE C (D) - SUMMARY - COST OF SERVICE - FINAL ORDER**

LINE NO.	DESCRIPTION		TOTAL SYSTEM	RESIDENTIAL	COMMERCIAL	INDUSTRIAL/ TRANSPORT
	(a)		(b)	(c)	(d)	(e)
1	Invested Capital					
2	Debt Cost	48.30%	RATEBASE \$ 371,775,252	\$ 284,529,382	\$ 62,883,845	\$ 24,362,026
3	Preferred Stock	1.90%	RATEBASE 14,624,699	11,192,667	2,473,692	958,341
4	Common Equity	49.80%	RATEBASE 383,321,067	293,365,698	64,836,759	25,118,610
5	<b>Total Invested Capital</b>		<b>769,721,018</b>	<b>589,087,747</b>	<b>130,194,296</b>	<b>50,438,976</b>
6						
7	Return Required					
8	Debt Cost	6.57%	RATEBASE 24,425,634	18,693,580	4,131,469	1,600,585
9	Preferred Stock Cost	5.51%	RATEBASE 805,821	616,716	136,300	52,805
10	Common Equity	10.00%	RATEBASE 38,332,107	29,336,570	6,483,676	2,511,861
11	<b>Total Return Required</b>		<b>63,563,562</b>	<b>48,646,866</b>	<b>10,751,445</b>	<b>4,165,251</b>
12						
13	<b>Operating Revenue</b>					
14	Sales Revenue At Proposed Rates		892,523,688	584,781,805	262,754,306	44,987,577
15	Other Revenue At Proposed Rates		17,882,192	16,041,407	1,738,591	102,194
16	<b>Total Operating Revenue</b>		<b>910,405,880</b>	<b>600,823,213</b>	<b>264,492,897</b>	<b>45,089,771</b>
17						
18	<b>Operating Expenses</b>					
19	Commodity Costs of Gas		459,466,746	276,494,298	173,539,048	9,433,401
20	Pipeline Costs		75,444,523	37,702,756	21,112,025	16,629,742
21	Distribution Operation and Maintenance		59,437,600	43,246,656	12,294,725	3,896,218
22	Customer Accounting		48,242,582	43,545,392	4,522,182	175,008
23	Customer Service		3,855,257	3,506,642	345,245	3,370
24	Sales and Promotion		427,201	388,571	38,257	373
25	Administrative and General		52,167,580	40,565,316	9,347,631	2,254,633
26	Distribution Plant Depreciation		50,517,414	37,913,410	9,416,887	3,187,117
27	General Plant Depreciation		4,525,576	3,396,453	843,607	285,516
28	Property-Related Taxes (Ad Valorem)		15,261,253	11,453,598	2,844,831	962,824
29	Property-Related Taxes (Franchise Tax)		2,134,685	1,602,085	397,924	134,676
30	Property-Related Taxes (DOT Pipeline Fee)		30,011	22,523	5,594	1,893
31	Payroll-Related Taxes		3,633,070	2,825,512	650,871	156,688
32	Revenue-Related Taxes (State GRT)		14,917,784	9,845,005	4,333,944	738,835
33	Revenue-Related Taxes (Local GRT)		33,972,768	22,420,360	9,869,835	1,682,573
34	Revenue-Related Taxes (RRC Fees)		424,800	280,347	123,414	21,039
35	Interest On Customer Deposits		1,472,587	977,141	495,446	-
36	Interest On Customer Advances		124,993	82,940	42,053	-
37	<b>Total Operating Expenses Before FIT</b>		<b>826,056,431</b>	<b>536,269,005</b>	<b>250,223,519</b>	<b>39,563,908</b>
38	Federal Income Tax		20,785,888	15,907,342	3,517,934	1,360,612
39	<b>Total Operating Expenses</b>		<b>846,842,319</b>	<b>552,176,347</b>	<b>253,741,452</b>	<b>40,924,520</b>
40						
41	Total Return at Recommended Rates		63,563,562	48,646,866	10,751,445	4,165,251
42	Total Rate Base		769,721,018	589,087,747	130,194,296	50,438,976
43	ROR at Recommended Rates		8.258%	8.258%	8.258%	8.258%
44						
45	Total Revenue Requirement = Expenses + Return		910,405,880	600,823,213	264,492,897	45,089,771
46	less: Other Revenue		(17,882,192)	(16,041,407)	(1,738,591)	(102,194)
47						
48	<b>Total Revenue Requirement Excluding Other Revenue</b>		<b>892,523,688</b>	<b>584,781,805</b>	<b>262,754,306</b>	<b>44,987,577</b>

**TXU Gas - Distribution**

Gas Utilities Docket No. 9400

**SCHEDULE D (D) - SUMMARY - TXU's PROPOSED COST OF SERVICE**

LINE NO.	DESCRIPTION (a)	TOTAL SYSTEM (b)	RESIDENTIAL (c)	COMMERCIAL (d)	INDUSTRIAL/ TRANSPORT (e)	
1	Invested Capital					
2	Debt Cost	51.00% RATEBASE	\$ 517,112,861	\$ 394,683,360	\$ 101,120,229	\$ 21,309,272
3	Preferred Stock	1.10% RATEBASE	11,153,415	8,512,778	2,181,025	459,612
4	Common Equity	47.90% RATEBASE	485,680,511	370,692,803	94,973,705	20,014,002
5	<b>Total Invested Capital</b>		<b>1,013,946,786</b>	<b>773,888,941</b>	<b>198,274,959</b>	<b>41,782,886</b>
6						
7	Return Required					
8	Debt Cost	6.71% RATEBASE	34,698,273	26,483,253	6,785,167	1,429,852
9	Preferred Stock Cost	5.53% RATEBASE	616,784	470,757	120,611	25,417
10	Common Equity	11.50% RATEBASE	55,853,259	27,947,351	17,111,440	10,794,468
11	<b>Total Return Required</b>		<b>91,168,316</b>	<b>54,901,361</b>	<b>24,017,218</b>	<b>12,249,737</b>
12						
13	<b>Operating Revenue</b>					
14	Sales Revenue At Proposed Rates		952,083,963	615,629,992	288,277,136	48,207,442
15	Other Revenue At Proposed Rates		17,882,194	16,040,027	1,739,278	72,283
16	<b>Total Operating Revenue</b>		<b>969,966,157</b>	<b>631,670,020</b>	<b>290,016,414</b>	<b>48,279,725</b>
17						
18	<b>Operating Expenses</b>					
19	Commodity Costs of Gas		459,466,746	276,494,298	173,539,048	9,433,401
20	Pipeline Costs		75,946,153	43,576,585	22,212,975	10,156,592
21	Distribution Operation and Maintenance		59,437,600	44,419,675	12,434,675	2,583,250
22	Customer Accounting		48,808,521	44,005,293	4,605,959	197,269
23	Customer Service		3,855,257	3,506,642	345,245	3,370
24	Sales and Promotion		427,201	388,571	38,257	373
25	Administrative and General		63,315,232	50,098,435	11,451,816	1,764,981
26	Distribution Plant Depreciation		57,274,192	44,070,143	10,820,699	2,383,351
27	General Plant Depreciation		4,647,066	3,575,727	877,961	193,378
28	Property-Related Taxes (Ad Valorem)		15,261,253	11,742,909	2,883,278	635,067
29	Property-Related Taxes (Franchise Tax)		2,134,685	1,642,553	403,302	88,831
30	Property-Related Taxes (DOT Pipeline Fee)		30,011	23,092	5,670	1,249
31	Payroll-Related Taxes		3,834,345	3,029,533	692,322	112,490
32	Revenue-Related Taxes (State GRT)		15,893,730	10,276,886	4,812,622	804,223
33	Revenue-Related Taxes (Local GRT)		36,195,323	23,403,896	10,959,944	1,831,483
34	Revenue-Related Taxes (RRC Fees)		452,591	292,646	137,045	22,901
35	Interest On Customer Deposits		1,472,587	977,141	495,447	-
36	Interest On Customer Advances		124,993	82,940	42,053	-
37	Total Operating Expenses Before FIT		848,577,488	561,606,965	256,758,316	30,212,210
38	Federal Income Tax		30,220,354	15,161,694	9,240,880	5,817,779
39	<b>Total Operating Expenses</b>		<b>878,797,842</b>	<b>576,768,659</b>	<b>265,999,196</b>	<b>36,029,989</b>
40						
41	Total Return at Proposed Rates		91,168,316	54,901,361	24,017,218	12,249,737
42	Total Rate Base		1,013,946,786	773,888,941	198,274,959	41,782,886
43	ROR at Proposed Rates		8.99%	7.09%	12.11%	29.32%
44						
45	Total Revenue Requirement = Expenses + Return		969,966,157	631,670,020	290,016,414	48,279,725
46	less: Other Revenue		(17,882,194)	(16,040,027)	(1,739,278)	(72,283)
47						
48	<b>Total Revenue Requirement Excluding Other Revenue</b>		<b>952,083,963</b>	<b>615,629,992</b>	<b>288,277,136</b>	<b>48,207,442</b>

## TXU Gas - Distribution

Gas Utilities Docket No. 9400

### Schedule E (D) - Cost Allocation Final Order

#### Invested Capital - Gross Plant

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Line No.	Acct #	Account Description	Total System	AF Label	RESIDENTIAL	COMMERCIAL	INDUSTRIAL/ TRANSPORT
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
<b>DISTRIBUTION PLANT</b>							
1	37401	Land	252,301	PLT376	175,495	51,915	24,891
2	37402	Land Rights	2,410,653	PLT376	1,676,796	496,033	237,824
3	375	Structures & Improvements	1,066,957	PLT376	742,151	219,544	105,261
4	376	Mains					
5		Customer Related	372,059,517	CUSTDIST	339,956,132	31,772,542	330,843
6		Demand Related - Steel and Other	154,905,833	DISTR1	77,412,867	43,348,088	34,144,878
7		Demand Related - Poly	333,632,809	DISTR2	181,243,714	101,961,978	50,427,117
8		Total 376 - Mains	860,598,158		598,612,713	177,082,608	84,902,838
9	378	M&R Station Equipment - General	14,159,772	PLT376	9,849,219	2,913,612	1,396,941
10	379	M&R Station Equipment - City Gate	4,827,960	PLT376	3,358,221	993,434	476,305
11	380	Services	426,621,937	CUSTNMET	388,044,246	38,204,745	372,946
12	381	Meters	126,410,013	CUSTMET	78,721,633	43,781,170	3,907,210
13	383	House Regulators	25,039,738	CUSTMET	15,593,456	8,672,327	773,954
14		<b>Subtotal</b>	1,461,387,489		1,096,773,930	272,415,389	92,198,171
15							
16	<b>GENERAL PLANT</b>						
17	303	Computer Software	24,991,645	PLANT	18,756,274	4,658,661	1,576,710
18	389	Land	1,824,731	PLANT	1,369,464	340,146	115,121
19	390	Structures & Improvements	16,291,802	PLANT	12,227,027	3,036,934	1,027,841
20	391	Office Furniture & Equipment	6,721,334	PLANT	5,044,373	1,252,915	424,045
21	392	Transportation Equipment	13,180,344	PLANT	9,891,872	2,456,931	831,541
22	394	Tools, Shop, and Garage Equipment	-				
23	396	Power Oper. Tool & Work Equip.	7,060,208	PLANT	5,298,699	1,316,085	445,425
24	397	Radio Communication Equipment	3,124,659	PLANT	2,345,062	582,464	197,133
25	398	Miscellaneous Equipment	14,734,742	PLANT	11,058,450	2,746,685	929,607
26	399	Non-Mainframe Computer Equip.	1,887,693	PLANT	1,416,717	351,882	119,094
27		<b>Subtotal</b>	89,817,158		67,407,938	16,742,703	5,666,517
28							
29		Meter Shop Inventory	4,278,649	PLANT	3,211,134	797,577	269,938
30							
31		Total General Plant and Meter Shop Inventory	94,095,807		70,619,072	17,540,280	5,936,455
32							
33		<b>TOTAL GROSS DISTRIBUTION PLANT</b>	1,555,483,296		1,167,393,002	289,955,669	98,134,626

**TXU Gas - Distribution**

Gas Utilities Docket No. 9400

**Schedule E (D) - Cost Allocation Final Order**

**Invested Capital - Accumulated Depreciation**

Line No.	Acct #	Account Description	Total System	AF Label	RESIDENTIAL	COMMERCIAL	INDUSTRIAL/TRANSPORT
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
<b>DISTRIBUTION PLANT</b>							
1	37401	Land	-	PLT376	-	-	-
2	37402	Land Rights	816,272	PLT376	567,780	167,962	80,530
3	375	Structures & Improvements	863,897	PLT376	600,907	177,761	85,228
4	376	Mains					
5		Customer Related	124,676,387	CUSTDIST	113,918,608	10,646,914	110,865
6		Demand Related - Steel and Other	76,775,921	DISTR1	38,368,111	21,484,597	16,923,213
7		Demand Related - Poly	86,932,384	DISTR2	47,225,416	26,567,525	13,139,444
8		Total 376 - Mains	288,384,692		199,512,135	58,699,036	30,173,522
9	378	M&R Station Equipment - General	7,907,133	PLT376	5,500,024	1,627,026	780,083
10	379	M&R Station Equipment - City Gate	2,378,756	PLT376	1,654,609	489,469	234,678
11	380	Services	149,615,263	CUSTNMET	136,086,162	13,398,310	130,791
12	381	Meters	54,584,799	CUSTMET	33,992,596	18,905,040	1,687,163
13	383	House Regulators	9,244,834	CUSTMET	5,757,206	3,201,880	285,749
14		<b>Subtotal</b>	513,795,646		383,671,419	96,666,484	33,457,743
15							
<b>GENERAL PLANT</b>							
17	303	Computer Software	10,012,157	PLANT	7,514,142	1,866,353	631,662
18	389	Land	-	PLANT	-	-	-
19	390	Structures & Improvements	6,477,175	PLANT	4,861,131	1,207,402	408,642
20	391	Office Furniture & Equipment	6,162,031	PLANT	4,624,615	1,148,656	388,759
21	392	Transportation Equipment	11,591,932	PLANT	8,699,766	2,160,837	731,329
22	394	Tools, Shop, and Garage Equipment	-				
23	396	Power Oper. Tool & Work Equip.	7,032,129	PLANT	5,277,625	1,310,850	443,653
24	397	Radio Communication Equipment	3,177,041	PLANT	2,384,375	592,228	200,438
25	398	Miscellaneous Equipment	11,412,741	PLANT	8,565,283	2,127,435	720,024
26	399	Non-Mainframe Computer Equip.	1,467,244	PLANT	1,101,169	273,507	92,568
27		<b>Subtotal</b>	57,332,450		43,028,106	10,687,269	3,617,074
28							
29		Meter Shop Inventory	-	PLANT	-	-	-
30							
31		Total General Plant and Meter Shop Inventory	57,332,450		43,028,106	10,687,269	3,617,074
32							
33		<b>TOTAL ACCUMULATED DEPRECIATION</b>	571,128,096		426,699,525	107,353,753	37,074,818

**TXU Gas - Distribution**

Gas Utilities Docket No. 9400

**Schedule E (D) - Cost Allocation Final Order**

**Invested Capital - Net Plant**

Line No.	Acct #	Account Description	Total System	AF Label	RESIDENTIAL	COMMERCIAL	INDUSTRIAL/TRANSPORT
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
<b>DISTRIBUTION PLANT</b>							
1	37401	Land	252,301	PLT376	175,495	51,915	24,891
2	37402	Land Rights	1,594,381	PLT376	1,109,015	328,071	157,295
3	375	Structures & Improvements	203,060	PLT376	141,244	41,783	20,033
4	376	Mains					
5		Customer Related	247,383,130	CUSTDIST	226,037,524	21,125,628	219,978
6		Demand Related - Steel and Other	78,129,912	DISTR1	39,044,756	21,863,491	17,221,665
7		Demand Related - Poly	246,700,425	DISTR2	134,018,298	75,394,454	37,287,673
8		Total 376 - Mains	572,213,466		399,100,578	118,383,573	54,729,316
9	378	M&R Station Equipment - General	6,252,639	PLT376	4,349,195	1,286,586	616,858
10	379	M&R Station Equipment - City Gate	2,449,204	PLT376	1,703,611	503,965	241,628
11	380	Services	277,006,675	CUSTNMET	251,958,085	24,806,435	242,155
12	381	Meters	71,825,214	CUSTMET	44,729,037	24,876,130	2,220,047
13	383	House Regulators	15,794,903	CUSTMET	9,836,251	5,470,447	488,205
14		<b>Subtotal</b>	<b>947,591,843</b>		<b>713,102,511</b>	<b>175,748,905</b>	<b>58,740,427</b>
15							
<b>GENERAL PLANT</b>							
17	303	Computer Software	14,979,488	PLANT	11,242,133	2,792,307	945,048
18	389	Land	1,824,731	PLANT	1,369,464	340,146	115,121
19	390	Structures & Improvements	9,814,627	PLANT	7,365,895	1,829,532	619,200
20	391	Office Furniture & Equipment	559,303	PLANT	419,758	104,259	35,286
21	392	Transportation Equipment	1,588,412	PLANT	1,192,106	296,094	100,212
22	394	Tools, Shop, and Garage Equipment	-		-	-	-
23	396	Power Oper. Tool & Work Equip.	28,080	PLANT	21,074	5,234	1,772
24	397	Radio Communication Equipment	(52,382)	PLANT	(39,313)	(9,764)	(3,305)
25	398	Miscellaneous Equipment	3,322,001	PLANT	2,493,167	619,250	209,583
26	399	Non-Mainframe Computer Equip.	420,448	PLANT	315,547	78,375	26,526
27		<b>Subtotal</b>	<b>32,484,708</b>		<b>24,379,832</b>	<b>6,055,433</b>	<b>2,049,443</b>
28							
29		Meter Shop Inventory	4,278,649	PLANT	3,211,134	797,577	269,938
30							
31		Total General Plant and Meter Shop Inventory	36,763,357		27,590,965	6,853,011	2,319,381
32							
33		<b>TOTAL NET DISTRIBUTION PLANT</b>	<b>984,355,200</b>		<b>740,693,477</b>	<b>182,601,916</b>	<b>61,059,808</b>

**TXU Gas - Distribution**

Gas Utilities Docket No. 9400

**Schedule E (D) - Cost Allocation Final Order**

**Invested Capital Summary**

Line No.	Acct #	Account Description	Total System	AF Label	RESIDENTIAL	COMMERCIAL	INDUSTRIAL/TRANSPORT
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
<b>NET PLANT</b>							
1		Gross Plant	1,555,483,296		1,167,393,002	289,955,669	98,134,626
2		Accumulated Depreciation	571,128,096		426,699,525	107,353,753	37,074,818
3		<b>Net Plant</b>	<b>984,355,200</b>		<b>740,693,477</b>	<b>182,601,916</b>	<b>61,059,808</b>
<b>INVESTMENT ADDITIONS</b>							
6		<b>Working Capital Requirements</b>					
7		Cash Working Capital	(61,241,394)	EXPTOM	(39,024,803)	(19,378,738)	(2,837,853)
8		Materials and Supplies	3,859,290	PLANT	2,896,404	719,405	243,481
9		Prepayments	11,911,827	PLANT	8,939,848	2,220,469	751,511
10		Working Gas In Storage	0	EGASCOST	0	0	0
11		<b>Total Working Capital</b>	<b>(45,470,277)</b>		<b>(27,188,551)</b>	<b>(16,438,864)</b>	<b>(1,842,861)</b>
12		<b>Unamortized Gain on Sale of Assets</b>	<b>(952,409)</b>	PLANT	<b>(714,785)</b>	<b>(177,537)</b>	<b>(60,087)</b>
13		<b>Poly 1 Regulatory Asset</b>	<b>-</b>	PLANT	<b>-</b>	<b>-</b>	<b>-</b>
14		<b>Investment Additions</b>	<b>(46,422,686)</b>		<b>(27,903,336)</b>	<b>(16,616,402)</b>	<b>(1,902,948)</b>
<b>INVESTMENT DEDUCTIONS</b>							
17		Customer Deposits	24,590,346	CUSTDEP	16,317,015	8,273,331	-
18		Customer Advances For Construction	5,031,889	CUSTDEP	3,338,928	1,692,961	-
19		Injuries and Damages Reserve	1,284,500	LABOR	998,981	230,120	55,398
20		Income Tax Adjustments	137,304,761	PLANT	103,047,469	25,594,806	8,662,485
21		<b>Investment Deductions</b>	<b>168,211,496</b>		<b>123,702,394</b>	<b>35,791,219</b>	<b>8,717,884</b>
22							
23		<b>TOTAL Invested Capital</b>	<b>769,721,018</b>		<b>589,087,747</b>	<b>130,194,296</b>	<b>50,438,976</b>

**TXU Gas - Distribution**

Gas Utilities Docket No. 9400

**Schedule E (D) - Cost Allocation Final Order**

**Operating Expenses**

Line No.	Acct #	Account Description	Total System	AF Label	RESIDENTIAL	COMMERCIAL	INDUSTRIAL/TRANSPORT
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
<b>GAS COST EXPENSE</b>							
1		Commodity Cost of Gas	459,466,746	EGASCOST	276,494,298	173,539,048	9,433,401
2		Pipeline Transportation Cost	75,444,523	DISTR1	37,702,756	21,112,025	16,629,742
3							
4		<b>Total Gas Cost Expense</b>	<b>534,911,269</b>		<b>314,197,054</b>	<b>194,651,072</b>	<b>26,063,143</b>
5							
<b>Distribution Operation Expense</b>							
7	870	Operation Supervision and Engineering	526,693	LABDISTO	375,319	122,896	28,478
8	874	Mains and Services Expenses	16,649,578	PLT37680	12,761,937	2,784,639	1,103,002
9	875	Measuring and Regulating Station Expenses - General	661,980	PLT376	460,459	136,214	65,308
10	877	Measuring and Regulating Station Exp. - City Gate Chk. Sta.	255	PLT376	178	53	25
11	878	Meter and House Regulator Expenses	7,977,094	CUSTMET	4,967,722	2,762,807	246,564
12	879	Customer Installations Expenses	1,426,858	PLANT	1,070,859	265,979	90,020
13	880	Other Expenses	10,119,040	PLANT	7,594,358	1,886,277	638,405
14	881	Rents	37,920	PLANT	28,459	7,069	2,392
15		<b>Total Distribution Operation Expense</b>	<b>37,399,419</b>		<b>27,259,291</b>	<b>7,965,934</b>	<b>2,174,194</b>
16							
<b>Distribution Maintenance Expense</b>							
18	885	Maintenance Supervision and Engineering	46,267	LABDISTM	34,087	8,927	3,253
19	886	Maintenance of Structures and Improvements	65	PLT376	46	13	6
20	887	Maintenance of Mains	15,231,792	PLT376	10,594,892	3,134,199	1,502,702
21	889	Maint. of Measuring and Regulating Station Equip. - General	1,299,799	PLT376	904,111	267,456	128,232
22	890	Maint. of Measuring and Regulating Station Equip. - Industrial	4,959	PLT376	3,449	1,020	489
23	892	Maintenance of Services	3,389,048	CUSTNMET	3,082,590	303,495	2,963
24	893	Maintenance of Meters and House Regulators	1,428,802	CUSTMET	889,784	494,855	44,163
25	894	Maintenance of Other Equipment	637,448	PLANT	478,406	118,826	40,216
26		<b>Total Distribution Maintenance Expense</b>	<b>22,038,181</b>		<b>15,987,365</b>	<b>4,328,791</b>	<b>1,722,024</b>
27							
28		<b>Total Distribution Expense</b>	<b>59,437,600</b>		<b>43,246,656</b>	<b>12,294,725</b>	<b>3,896,218</b>

**TXU Gas - Distribution**

Gas Utilities Docket No. 9400

**Schedule E (D) - Cost Allocation Final Order**

**Operating Expenses**

Line No.	Acct #	Account Description	Total System	AF Label	RESIDENTIAL	COMMERCIAL	INDUSTRIAL/ TRANSPORT
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
<b>Customer Accounts Expense</b>							
1	901	Supervision	(300)	LABCA	(273)	(27)	(0)
2	902	Meter Reading Expense	7,539,240	CUSTNMET	6,857,497	675,152	6,591
3	903	Customer Records and Collection Expenses	37,249,826	CUSTNMET	33,881,476	3,335,787	32,563
4	904	Uncollectible Accounts	3,453,816	CUNCOL	2,806,692	511,270	135,854
5	905	Miscellaneous Customer Accounts Expenses	-	CUSTNMET	-	-	-
6		<b>Total Customer Accounts Expense</b>	<b>48,242,582</b>		<b>43,545,392</b>	<b>4,522,182</b>	<b>175,008</b>
<b>Customer Service Expense</b>							
8	910	Customer Assistance Expenses	3,820,666	CUSTNMET	3,475,179	342,147	3,340
9	911	Informational Advertising Expenses	34,591	CUSTNMET	31,463	3,098	30
10		<b>Total Customer Service Expense</b>	<b>3,855,257</b>		<b>3,506,642</b>	<b>345,245</b>	<b>3,370</b>
<b>Sales Promotion Expense</b>							
12	915	Supervision	1,226	CUSTNMET	1,115	110	1
13	916	Demonstrating and Selling Expenses	134,550	CUSTNMET	122,384	12,049	118
14	917	Promotional Advertising Expenses	232,286	CUSTNMET	211,281	20,802	203
15	918	Miscellaneous Sales Promotion Expenses	59,139	CUSTNMET	53,792	5,296	52
16		<b>Total Sales Promotion Expense</b>	<b>427,201</b>		<b>388,571</b>	<b>38,257</b>	<b>373</b>
<b>Administrative and General Expense</b>							
18	920	Administrative and General Salaries	(193,447)	LABOR	(150,448)	(34,656)	(8,343)
19	921	Office Supplies and Expenses	598,371	LABOR	465,365	107,199	25,807
20	923	Outside Services Employed	22,802,574	LABOR	17,734,020	4,085,119	983,434
21	924	Property Insurance	237,360	PLANT	178,139	44,246	14,975
22	925	Injuries and Damages	6,302,621	LABOR	4,901,675	1,129,125	271,821
23	926	Employee Pensions and Benefits	19,823,796	LABOR	15,417,365	3,551,466	854,965
24	928	Regulatory Commission Expenses	-				
25	930.1	Institutional or Goodwill Advertising Expense	101,383	LABOR	78,848	18,163	4,372
26	930.2	Miscellaneous General Expense	2,029,216	LABOR	1,578,162	363,537	87,516
26	930.2	Regulatory Asset Amortization Exp.	-	LABXAGRC	-	-	-
27	931	Rents	465,706	LABOR	362,189	83,432	20,085
28	932	Maintenance of General Plant	-				
29		<b>Total Administrative and General Expense</b>	<b>52,167,580</b>		<b>40,565,316</b>	<b>9,347,631</b>	<b>2,254,633</b>
30							
31		Total O&M Expense Excluding A&G	646,873,909		404,884,315	211,851,481	30,138,113
32		Total O&M Expense Excluding Gas Cost	164,130,220		131,252,578	26,548,040	6,329,603
33							
34							
35		<b>Total O&amp;M Expenses LABOR &amp; NON-LABOR</b>	<b>699,041,489</b>		<b>445,449,631</b>	<b>221,199,112</b>	<b>32,392,745</b>

**TXU Gas - Distribution**

Gas Utilities Docket No. 9400

**Schedule E (D) - Cost Allocation Final Order**

**Dep Exp, Other Taxes, Other Interest Exp, Operating Income**

Line No.	Acct #	Account Description	Total System	AF Label	RESIDENTIAL	COMMERCIAL	INDUSTRIAL/ TRANSPORT
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
		<b>Depreciation Expense</b>					
1		Distribution Plant	50,517,414	PLANT	37,913,410	9,416,887	3,187,117
2		General Plant	4,525,576	PLANT	3,396,453	843,607	285,516
3		<b>Total Depreciation Expense</b>	55,042,990		41,309,863	10,260,494	3,472,633
4		<b>Other Taxes</b>					
5		Property-Related Taxes (Ad Valorem)	15,261,253	PLANT	11,453,598	2,844,831	962,824
6		Property-Related Taxes (Franchise Tax)	2,134,685	PLANT	1,602,085	397,924	134,676
7		Property-Related Taxes (DOT Pipeline Fee)	30,011	PLANT	22,523	5,594	1,893
8		Payroll-Related Taxes	3,633,070	LABXAG	2,825,512	650,871	156,688
9		Revenue-Related Taxes (State GRT)	14,917,784	REVENUEC	9,845,005	4,333,944	738,835
10		Revenue-Related Taxes (Local GRT)	33,972,768	REVENUEC	22,420,360	9,869,835	1,682,573
11		Revenue-Related Taxes (RRC Fees)	424,800	REVENUEC	280,347	123,414	21,039
12		<b>Total Other Taxes</b>	70,374,371		48,449,431	18,226,412	3,698,529
13		<b>Other Interest Expense</b>					
14		Interest On Customer Deposits	1,472,587	CUSTDEP	977,141	495,446	-
15		Interest On Customer Advances	124,993	CUSTDEP	82,940	42,053	-
16		<b>Total Other Interest Expense</b>	1,597,580		1,060,080	537,500	-
17		<b>TOTAL OPER EXP EXCLUDING REV-REL TAX</b>	776,741,079		503,723,292	235,896,326	37,121,461
18		<b>TOTAL OPERATING EXPENSES BEFORE FIT</b>	826,056,431		536,269,005	250,223,519	39,563,908
19		<b>Federal Income Tax Expense (see page 8)</b>	20,785,888		15,907,342	3,517,934	1,360,612
20							
21		<b>TOTAL OPERATING EXPENSES</b>	846,842,319		552,176,347	253,741,452	40,924,520
22							
23		<b>SALES REVENUE</b>					
24		Sales of Gas Revenue	892,523,688		584,781,805	262,754,306	44,987,577
25							
26		<b>OTHER REVENUE</b>					
27	487	Forfeited Discounts	11,220	REVRC	7,742	3,478	-
28	488	Miscellaneous Service Revenues	8,570,565	CUSTNMET	7,795,564	767,509	7,492
29	493	Rent From Gas Property	1,391,477	PLANT	1,044,306	259,383	87,788
30	495	Other Gas Revenues	9,362	CUSTDIST	8,554	799	8
31		Proposed Increase To Miscellaneous Service Revenues	7,899,568	CUSTNMET	7,185,242	707,420	6,906
32		<b>TOTAL OTHER REVENUE</b>	17,882,192		16,041,407	1,738,591	102,194
33		<b>TOTAL OPERATING REVENUE</b>	910,405,880		600,823,213	264,492,897	45,089,771

**TXU Gas - Distribution**

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**Schedule E (D) - Cost Allocation Final Order**

**Federal Income Tax**

Line No.	Acct #	Account Description	Total System	AF Label	RESIDENTIAL	COMMERCIAL	INDUSTRIAL/ TRANSPORT
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1		<b>Return on Invested Capital</b>	63,563,562		48,646,866	10,751,445	4,165,251
2							
3		Deduct:					
4		Interest on operating items	25,231,455	RATEBASE	19,310,296	4,267,769	1,653,390
5		Amortization of investment tax credits	-				
6		Amortization of Excess Deferred Income Taxes	(7,278)	PLANT	(5,462)	(1,357)	(459)
7		Social Club Dues	-				
8		Total Deductions	25,224,177		19,304,834	4,266,412	1,652,930
9		Add:					
10		Business meals not deductible	103,182	LABOR	80,247	18,485	4,450
11		Prior year adjustments	51,198	PLANT	38,424	9,544	3,230
12		Total Additions	154,380		118,671	28,029	7,680
13							
14		Taxable component of return	38,493,765		29,460,703	6,513,062	2,520,000
15		Tax factor (1 / .65) * (.35)	0.53846		0.53846	0.53846	0.53846
16		Federal income taxes before adjustments	20,727,412		15,863,455	3,507,033	1,356,923
17							
18		Tax credits:					
19		Deduct:					
20		Amortization of investment tax credits	-				
21		Amortization of Excess Deferred Income Taxes	(7,278)	PLANT	(5,462)	(1,357)	(459)
22		Add:					
23		Prior year adjustments	51,198	PLANT	38,424	9,544	3,230
24		<b>Federal income taxes</b>	20,785,888		15,907,342	3,517,934	1,360,612

**TXU Gas - Distribution**

Gas Utilities Docket No. 9400

**Schedule F (D) - Cost Allocation Factors - Final Order**

<u>DEVELOPMENT OF ALLOCATION FACTORS</u>		TOTAL	RES	COMM	TRANSPORT	RES	COMM	TRANSPORT
1	<b>CAPACITY DISTRIBUTION ALLOCATORS</b>							
2	DISTRIBUTION ALLOCATOR - 4MDU (1) <span style="float:right">DISTR3</span>	1,790,130	1,027,145	523,583	239,402	0.573782	0.292483	0.133734
3	DISTRIBUTION ALLOCATOR - 4 MDU EXCLUDING HP (2) <span style="float:right">DISTR3WOHP</span>	1,712,797	1,027,145	523,583	162,069	0.599689	0.305689	0.094622
4	DISTRIBUTION ALLOCATOR - 50% CAPACITY 50% COMMODITY (3) <span style="float:right">DISTR1</span>	1				0.499741	0.279835	0.220423
5	DISTRIBUTION ALLOCATOR - 50% CAPACITY 50% COMMODITY W/O HP <span style="float:right">DISTR2</span>	1				0.543243	0.305611	0.151146
6								
7	<b>COMMODITY RELATED</b>							
8	ANNUAL VOLUME DELIVERED ALL (MCF) <span style="float:right">ESALES</span>	200,711,159	85,442,854	53,627,404	61,640,901	0.425701	0.267187	0.307112
9	GAS PURCHASED FOR SALES (4) <span style="float:right">EGASCOST</span>	459,466,746	276,494,298	173,539,048	9,433,401	0.601772	0.377697	0.020531
10	ANNUAL VOLUME DELIVERED (MCF) FROM DIST PLT <span style="float:right">ESLSDIST</span>	200,711,159	85,442,854	53,627,404	61,640,901	0.425701	0.267187	0.307112
11	ANNUAL VOLUME DELIVERED (MCF) R&C Only <span style="float:right">ESLSDISTR</span>	139,070,259	85,442,854	53,627,404	-	0.614386	0.385614	0.000000
12	COMMODITY OTHER1 <span style="float:right">ESALESWODA</span>	-	-	-	-	-	-	-
13	ANNUAL VOLUME DELIVERED ALL (MCF) W/O HP <span style="float:right">ESALESWODAHP</span>	175,520,337	85,442,854	53,627,404	36,450,079	0.486797	0.305534	0.207669
14								
15	<b>CUSTOMER RELATED</b>							
16	SERVICES (5) <span style="float:right">CUSTSERV</span>	1,524,850	1,386,964	136,553	1,333	0.909574	0.089552	0.000874
17	METER INVESTMENT (6) <span style="float:right">CUSTMET</span>	150,502,009	93,724,885	52,125,254	4,651,870	0.622748	0.346343	0.030909
18	HOUSE REGULATORS (6) <span style="float:right">CUSTREG</span>	150,502,009	93,724,885	52,125,254	4,651,870	0.622748	0.346343	0.030909
19	NUMBER OF METERS (7) <span style="float:right">CUSTNMET</span>	1,524,850	1,386,964	136,553	1,333	0.909574	0.089552	0.000874
20	CUSTOMER DEPOSITS (8) <span style="float:right">CUSTDEP</span>	843,395,060	559,637,896	283,757,164	-	0.663554	0.336446	-
21	CUSTOMER OTHER 1 <span style="float:right">CUSTMIMR</span>	-	-	-	-	-	-	-
22	CUSTOMER OTHER 2 <span style="float:right">CUSTNMETWOHP</span>	1,523,517	1,386,964	136,553	-	0.910370	0.089630	-
23	CUSTOMER OTHER 3 <span style="float:right">CUSTIND</span>	1	-	-	1	-	-	1.000000
24	SERVICE CHARGE REVENUE (9) <span style="float:right">CUSTSC</span>	1,524,850	1,386,964	136,553	1,333	0.909574	0.089552	0.000874
25	UNCOLLECTIBLE ACCOUNTS (10) <span style="float:right">CUNCOL</span>	40,127,574	32,609,074	5,940,099	1,578,401	0.812635	0.148030	0.039335
26	CUSTOMER INSTALLATION EXP (11) <span style="float:right">CUSTINST</span>	1,524,850	1,386,964	136,553	1,333	0.909574	0.089552	0.000874
27	CUSTOMER METER READING EXP (12) <span style="float:right">CUSTMETR</span>	1,524,850	1,386,964	136,553	1,333	0.909574	0.089552	0.000874
28	CUSTOMER RECORDS (13) <span style="float:right">CUSTREC</span>	1,524,850	1,386,964	136,553	1,333	0.909574	0.089552	0.000874
29	CUSTOMER OTHER 4 <span style="float:right">CUSTAVG</span>	-	-	-	-	-	-	-
30	YEAR END NUMBER OF CUSTOMERS (14) <span style="float:right">CUSTDIST</span>	1,470,952	1,344,030	125,614	1,308	0.913714	0.085396	0.000889

**TXU Gas - Distribution**

Gas Utilities Docket No. 9400

**Schedule F (D) - Cost Allocation Factors**

1	ACCT 376-MAINS	PLT376	860,598,158	598,612,713	177,082,608	84,902,838	0.695577	0.205767	0.098656
2	TOTAL PLANT IN SERVICE	PLANT	1,555,483,296	1,167,393,002	289,955,669	98,134,626	0.750502	0.186409	0.063089
3	ACCT 376 & 380 MAINS AND SERVICES	PLT37680	1,287,220,095	986,656,959	215,287,353	85,275,784	0.766502	0.167250	0.066248
4	TOTAL OPERATION & MAINT EXPENSE	EXPTOM	699,041,489	445,449,631	221,199,112	32,392,745	0.637229	0.316432	0.046339
5	SUM OF ALLOCATED LABOR EXP	LABOR	46,212,740	35,940,578	8,279,089	1,993,073	0.777720	0.179152	0.043128
6	DIST OPERATION LABOR	LABDISTO	19,107,740	13,616,092	4,458,506	1,033,142	0.712596	0.233335	0.054069
7	DIST MAINTENANCE LABOR	LABDISTM	13,510,966	9,954,186	2,606,964	949,816	0.736749	0.192952	0.070300
8	TOTAL CUSTOMER ACCOUNTING LABOR	LABCA	10,839,668	9,859,481	970,711	9,476	0.909574	0.089552	0.000874
9	TOT O&M LABOR EXCL A&G LABOR-R&C ONLY	LABXAGRC	44,259,722	35,973,134	8,286,588	-	0.812774	0.187226	-
10	TOT O&M LABOR EXCL A&G LABOR	LABXAG	46,254,601	35,973,134	8,286,588	1,994,879	0.777720	0.179152	0.043128
11	TOTAL DISTRIBUTION REVENUES (RECOMMENDED)	REVENUEC	910,405,880	600,823,213	264,492,897	45,089,771	0.659951	0.290522	0.049527
12	TOTAL RATE BASE	RATEBASE	769,721,018	589,087,747	130,194,296	50,438,976	0.765326	0.169145	0.065529
13	TOTAL PRESENT SALES REVENUES - RESIDENTIAL AND COMMERCIAL	REVRC	847,536,112	584,781,805	262,754,306	-	0.689979	0.310021	-
14	DIST OPERATION LABOR EXCL SUPERV & ENGIN	LABDISTOXS	18,722,414	13,341,510	4,368,596	1,012,308	0.712596	0.233335	0.054069
15	DIST MAINTENANCE LABOR EXCL SUPERV & ENGIN	LABDISTMXS	13,477,574	9,929,584	2,600,521	947,469	0.736749	0.192952	0.070300
16	TOTAL SALES LABOR	LABSALES	86,217	78,421	7,721	75	0.909574	0.089552	0.000874

- (1) This allocation factor is developed using the maximum daily use for the months of December through March
- (2) This allocation factor is developed using the maximum daily use for the months of December through March with the removal of the daily usage of the customers served of the high pressure mains.
- (3) This allocation factor is developed using 50% of the maximum daily use allocation factor and 50% of the annual volume delivered to distribution customers.
- (4) The cost of gas purchased for sales was directly assigned to the customer classes.
- (5) Services consist of the piping connecting meters to the mains by class was based on the number of meters.
- (6) Meter investment and House Regulators by class were based on pricing of the individual meters.
- (7) The number of each size of meter serving the various classes was determined from the customer account records.
- (8) Customer deposits and advances investment amount is related to the residential and commercial customer classes and is allocated on sales revenue.
- (9) Other service charge revenues are allocated between residential and commercial classes in proportion to the number of customers served.
- (10) Uncollectible accounts are allocated in proportion to actual inactive account charge-offs as indicated by the aging summary report.
- (11) Customer installation expense by class was based on the number of meters
- (12) Customer meter reading expense by class was based on the number of meters
- (13) Customer records by class was based on the number of meters
- (14) Year end number of customers served by the distribution system by class.

## TXU Gas - Distribution

Gas Utilities Docket No. 9400

### Schedule G - Rate of Return

Line No.	Description (a)	Present Rates (b)	TXU Proposed ROR (1) (c)	TXU Proposed ROR (2) (d)	Final Order ROR (e)			
1	<b>Net Operating Income/Return</b>							
2								
3	Cost of Debt	\$ 34,698,273	\$ 34,698,273	6.71%	\$ 24,425,634	6.57%		
4	Cost of Preferred Stock	616,784	616,784	5.53%	805,821	5.51%		
5	Available or Required Return on							
6	Book Value of Common Equity	24,107,966	55,853,259		55,544,005	38,332,107		
7								
8	Total Return on Invested Capital	\$ 59,423,023	\$ 91,168,316		\$ 88,781,181	\$ 63,563,562		
9								
10	<b>Rate Base - Capitalization Structure</b>							
11								
12	Debt	\$ 517,112,862	\$ 517,112,862	51.00%	\$ 489,736,299	48.30%	\$ 371,775,252	48.30%
13	Preferred Stock	11,153,415	11,153,415	1.10%	19,264,989	1.90%	14,624,699	1.90%
14	Common Equity at Book Value	485,680,511	485,680,511	47.90%	504,945,500	49.80%	383,321,067	49.80%
15								
16	Total Invested Capital	\$ 1,013,946,788	\$ 1,013,946,788		\$ 1,013,946,788		\$ 769,721,018	
17								
18	<b>Percent Return - After Tax</b>							
19								
20	Cost of Debt	6.71%	6.71%		6.57%		6.57%	
21	Cost of Preferred Stock	5.53%	5.53%		5.51%		5.51%	
22	Return on Book Value of Common Equity	4.96%	11.50%		11.00%		10.00%	
23								
24	Percent Return - After Tax	5.86%	8.99%		8.76%		8.258%	
25								
26	<b>Percent Return - Pretax</b>							
27								
28	Return	\$ 59,423,023	\$ 91,168,316		\$ 88,781,181		\$ 63,563,562	
29	Federal Income Taxes	13,126,735	30,220,354		30,220,354		20,785,888	
30	Total Return plus FIT	\$ 72,549,758	\$ 121,388,670		\$ 119,001,535		\$ 84,349,449	
31								
32	Total Rate Base	\$ 1,013,946,788	\$ 1,013,946,788		\$ 1,013,946,788		\$ 769,721,018	
33								
34	Percent Return - Pretax	7.16%	11.97%		11.74%		10.96%	
35								

Notes:

(1) TXU's proposed rate of return as presented in errata spreadsheets (TXU Gas Ex. 61).

(2) TXU's proposed rate of return as updated in rebuttal testimony (TXU Gas Ex. 36).

**TXU Gas - Distribution**

Gas Utilities Docket No. 9400

**Schedule H (D) - Invested Capital**

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**Invested Capital - Gross Plant**

Line No.	Acct #	Account Description	TXU			Final Order	
			Book	Adj.	Proposed	Adj.	Total
<b>DISTRIBUTION PLANT</b>							
1	37401	Land	252,301	-	252,301	-	252,301
2	37402	Land Rights	2,410,653	-	2,410,653	-	2,410,653
3	375	Structures & Improvements	1,066,957	-	1,066,957	-	1,066,957
4	376	Mains	948,435,267	4,626,372	953,061,639	(92,463,481)	860,598,158
5	378	M&R Station Equipment - General	14,159,772	5,537	14,165,309	(5,537)	14,159,772
6	379	M&R Station Equipment - City Gate	4,827,960	-	4,827,960	-	4,827,960
7	380	Services	426,621,937	1,279,520	427,901,457	(1,279,520)	426,621,937
8	381	Meters	126,410,013	1,300	126,411,313	(1,300)	126,410,013
9	383	House Regulators	25,039,738	-	25,039,738	-	25,039,738
10		<b>Subtotal</b>	<b>\$ 1,549,224,597</b>	<b>\$ 5,912,730</b>	<b>\$ 1,555,137,327</b>	<b>\$ (93,749,838)</b>	<b>\$ 1,461,387,489</b>
<b>GENERAL PLANT</b>							
13	303	Computer Software	25,331,191	1,618	25,332,809	(341,164)	24,991,645
14	389	Land	1,824,731	(192,580)	1,632,151	192,580	1,824,731
15	390	Structures & Improvements	16,291,802	383,858	16,675,660	(383,858)	16,291,802
16	391	Office Furniture & Equipment	6,789,628	5,500	6,795,129	(73,795)	6,721,334
17	392	Transportation Equipment	13,180,344	-	13,180,344	-	13,180,344
18	394	Tools, Shop, and Garage Equipment	-	-	-	-	-
19	396	Power Oper. Tool & Work Equip.	7,060,208	277	7,060,485	(277)	7,060,208
20	397	Radio Communication Equipment	3,332,618	80,084	3,412,702	(288,043)	3,124,659
21	398	Miscellaneous Equipment	14,734,742	72,790	14,807,532	(72,790)	14,734,742
22	399	Non-Mainframe Computer Equip.	2,000,752	-	2,000,752	(113,059)	1,887,693
23		<b>Subtotal</b>	<b>\$ 90,546,016</b>	<b>\$ 351,548</b>	<b>\$ 90,897,564</b>	<b>\$ (1,080,406)</b>	<b>\$ 89,817,158</b>
24							
25		Meter Shop Inventory	4,278,649	-	4,278,649	-	4,278,649
26							
27		Total General Plant and Meter Shop Inventory	<b>\$ 94,824,665</b>	<b>\$ 351,548</b>	<b>\$ 95,176,213</b>	<b>\$ (1,080,406)</b>	<b>\$ 94,095,807</b>
28							
29		<b>TOTAL GROSS DISTRIBUTION PLANT</b>	<b>\$ 1,644,049,263</b>	<b>\$ 6,264,277</b>	<b>\$ 1,650,313,540</b>	<b>\$ (94,830,244)</b>	<b>\$ 1,555,483,296</b>

**TXU Gas - Distribution**

Gas Utilities Docket No. 9400

**Schedule H (D) - Invested Capital**

**Invested Capital - Accumulated Depreciation**

		TXU			Final Order	
Acct #	Account Description	Book	Adj.	Proposed	Adj.	Total
<b>DISTRIBUTION PLANT</b>						
1	37401 Land	-	-	-	-	-
2	37402 Land Rights	816,272	-	816,272	-	816,272
3	375 Structures & Improvements	863,897	-	863,897	-	863,897
4	376 Mains	288,384,692	-	288,384,692	-	288,384,692
5	378 M&R Station Equipment - General	7,907,133	-	7,907,133	-	7,907,133
6	379 M&R Station Equipment - City Gate	2,378,756	-	2,378,756	-	2,378,756
7	380 Services	149,615,263	-	149,615,263	-	149,615,263
8	381 Meters	54,584,799	-	54,584,799	-	54,584,799
9	383 House Regulators	9,244,834	-	9,244,834	-	9,244,834
10		<b>Subtotal</b>	<b>\$ 513,795,646</b>	<b>\$ -</b>	<b>\$ 513,795,646</b>	<b>\$ - \$ 513,795,646</b>
11						
<b>GENERAL PLANT</b>						
13	303 Computer Software	10,012,157	-	10,012,157	-	10,012,157
14	389 Land	-	-	-	-	-
15	390 Structures & Improvements	6,477,175	-	6,477,175	-	6,477,175
16	391 Office Furniture & Equipment	6,162,031	-	6,162,031	-	6,162,031
17	392 Transportation Equipment	10,733,731	858,202	11,591,932	-	11,591,932
18	394 Tools, Shop, and Garage Equipment	-	-	-	-	-
19	396 Power Oper. Tool & Work Equip.	7,032,129	-	7,032,129	-	7,032,129
20	397 Radio Communication Equipment	3,177,041	-	3,177,041	-	3,177,041
21	398 Miscellaneous Equipment	11,412,741	-	11,412,741	-	11,412,741
22	399 Non-Mainframe Computer Equip.	1,467,244	-	1,467,244	-	1,467,244
23		<b>Subtotal</b>	<b>\$ 56,474,248</b>	<b>\$ 858,202</b>	<b>\$ 57,332,450</b>	<b>\$ - \$ 57,332,450</b>
24						
25	Meter Shop Inventory	-	-	-	-	-
26						
27	Total General Plant and Meter Shop Inventory	<b>\$ 56,474,248</b>	<b>\$ 858,202</b>	<b>\$ 57,332,450</b>	<b>\$ -</b>	<b>\$ 57,332,450</b>
28						
29	<b>TOTAL ACCUMULATED DEP. DIST PLANT</b>	<b>\$ 570,269,895</b>	<b>\$ 858,202</b>	<b>\$ 571,128,096</b>	<b>\$ -</b>	<b>\$ 571,128,096</b>

**TXU Gas - Distribution**

Gas Utilities Docket No. 9400

**Schedule H (D) - Invested Capital**

**Invested Capital - Net Plant**

		TXU			Final Order		
Acct #	Account Description	Book	Adj.	Proposed	Adj.	Total	
<b>DISTRIBUTION PLANT</b>							
1	37401 Land	252,301	-	252,301	-	252,301	
2	37402 Land Rights	1,594,381	-	1,594,381	-	1,594,381	
3	375 Structures & Improvements	203,060	-	203,060	-	203,060	
4	376 Mains	660,050,575	4,626,372	664,676,947	(92,463,481)	572,213,466	
5	378 M&R Station Equipment - General	6,252,640	5,537	6,258,176	(5,537)	6,252,639	
6	379 M&R Station Equipment - City Gate	2,449,204	-	2,449,204	-	2,449,204	
7	380 Services	277,006,674	1,279,520	278,286,195	(1,279,520)	277,006,675	
8	381 Meters	71,825,214	1,300	71,826,514	(1,300)	71,825,214	
9	383 House Regulators	15,794,903	-	15,794,903	-	15,794,903	
10		<b>Subtotal</b>	<b>\$ 1,035,428,951</b>	<b>\$ 5,912,730</b>	<b>\$ 1,041,341,681</b>	<b>\$ (93,749,838)</b>	<b>\$ 947,591,843</b>
11							
<b>GENERAL PLANT</b>							
13	303 Computer Software	15,319,034	1,618	15,320,652	(341,164)	14,979,488	
14	389 Land	1,824,731	(192,580)	1,632,151	192,580	1,824,731	
15	390 Structures & Improvements	9,814,627	383,858	10,198,485	(383,858)	9,814,627	
16	391 Office Furniture & Equipment	627,597	5,500	633,098	(73,795)	559,303	
17	392 Transportation Equipment	2,446,614	(858,202)	1,588,412	-	1,588,412	
18	394 Tools, Shop, and Garage Equipment	-	-	-	-	-	
19	396 Power Oper. Tool & Work Equip.	28,080	277	28,357	(277)	28,080	
20	397 Radio Communication Equipment	155,577	80,084	235,661	(288,043)	(52,382)	
21	398 Miscellaneous Equipment	3,322,001	72,790	3,394,791	(72,790)	3,322,001	
22	399 Non-Mainframe Computer Equip.	533,507	-	533,507	(113,059)	420,448	
23		<b>Subtotal</b>	<b>\$ 34,071,768</b>	<b>\$ (506,654)</b>	<b>\$ 33,565,114</b>	<b>\$ (1,080,406)</b>	<b>\$ 32,484,708</b>
24							
25	Meter Shop Inventory	4,278,649	-	4,278,649	-	4,278,649	
26							
27	Total General Plant and Meter Shop Inventory	<b>\$ 38,350,417</b>	<b>\$ (506,654)</b>	<b>\$ 37,843,763</b>	<b>\$ (1,080,406)</b>	<b>\$ 36,763,357</b>	
28							
29	<b>TOTAL NET DISTRIBUTION PLANT</b>	<b>\$ 1,073,779,368</b>	<b>\$ 5,406,076</b>	<b>\$ 1,079,185,444</b>	<b>\$ (94,830,244)</b>	<b>\$ 984,355,200</b>	

**TXU Gas - Distribution**

Gas Utilities Docket No. 9400

**Schedule H (D) - Invested Capital**

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**Invested Capital Summary**

Acct #	Account Description	TXU			Final Order	
		Book	Adj.	Proposed	Adj.	Total
<b>NET PLANT</b>						
1	Gross Plant	\$ 1,644,049,263	\$ 6,264,277	\$ 1,650,313,540	\$ (94,830,244)	\$ 1,555,483,296
2	Accumulated Depreciation	570,269,895	858,202	571,128,096	-	571,128,096
3	<b>Net Plant</b>	<b>1,073,779,368</b>	<b>5,406,076</b>	<b>1,079,185,444</b>	<b>(94,830,244)</b>	<b>984,355,200</b>
<b>INVESTMENT ADDITIONS</b>						
<b>Working Capital Requirements</b>						
7	Cash Working Capital	(53,963,727)	-	(53,963,727)	(7,277,667)	(61,241,394)
8	Materials and Supplies	3,859,290	-	3,859,290	-	3,859,290
9	Prepayments	11,911,827	-	11,911,827	-	11,911,827
10	Working Gas In Storage	98,182,654	-	98,182,654	(98,182,654)	0
11	<b>Total Working Capital</b>	<b>59,990,044</b>	<b>-</b>	<b>59,990,044</b>	<b>(105,460,321)</b>	<b>(45,470,277)</b>
12	<b>Gain on Sale of Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(952,409)</b>	<b>(952,409)</b>
13	<b>Poly 1 Costs</b>	<b>42,982,796</b>	<b>-</b>	<b>42,982,796</b>	<b>(42,982,796)</b>	<b>-</b>
14	<b>Investment Additions</b>	<b>102,972,840</b>	<b>-</b>	<b>102,972,840</b>	<b>(149,395,526)</b>	<b>(46,422,686)</b>
<b>INVESTMENT DEDUCTIONS</b>						
17	Customer Deposits	24,590,346	-	24,590,346	-	24,590,346
18	Customer Advances For Construction	5,031,889	-	5,031,889	-	5,031,889
19	Injuries and Damages Reserve	1,284,500	-	1,284,500	-	1,284,500
20	Income Tax Adjustments	137,304,761	-	137,304,761	-	137,304,761
21	<b>Investment Deductions</b>	<b>168,211,496</b>	<b>-</b>	<b>168,211,496</b>	<b>-</b>	<b>168,211,496</b>
22	<b>TOTAL Invested Capital</b>	<b>\$ 1,008,540,712</b>	<b>\$ 5,406,076</b>	<b>\$ 1,013,946,788</b>	<b>\$ (244,225,770)</b>	<b>\$ 769,721,018</b>

**TXU Gas - Distribution**

Gas Utilities Docket No. 9400

**Schedule I (D) - Depreciation Expense**

Line No.	NARUC Acct.	Description	TXU			Final Order	
			Current Dep. Exp	Proposed Dep. Exp.	Proposed Change	Total Dep. Exp.	Change
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1		<b>Distribution Plant</b>					
2		Computed Depreciation/Amortization Expense (1)	51,521,118	57,274,192	5,753,075	50,517,414	(6,756,778)
3							
4							
5		<b>General Plant Depreciation Expense</b>					
6	303	Computer Software	2,781,542	3,511,127	729,585	3,422,731	(88,397)
7	389	Land	-	-	-	-	-
8	390	Structures & Improvements	331,846	530,286	198,440	518,079	(12,207)
9	391	Office Furniture & Equipment	76,105	67,272	(8,834)	66,541	(731)
10	392	Transportation Equipment	-	-	-	-	-
11	394	Tools, Shop, and Garage Equipment	-	-	-	-	-
12	396	Power Oper. Tool & Work Equipment	-	-	-	-	-
13	397	Radio Communication Equipment	-	15,357	15,357	14,061	(1,296)
14	398	Miscellaneous Equipment	892,894	207,305	(685,589)	206,286	(1,019)
15	399	Non-Mainframe Computer Equipment	372,740	315,719	(57,021)	297,878	(17,841)
16		Total General Plant	4,455,128	4,647,066	191,939	4,525,576	(121,490)
17							
18		Meter Shop Inventory	-	-	-	-	-
19							
20		Total General Plant and Meter Shop Inventory Dep Exp	4,455,128	4,647,066	191,939	4,525,576	(121,490)
21							
22		<b>Total Depreciation Expense</b>	55,976,245	61,921,259	5,945,013	55,042,990	(6,878,268)
23							
24		(1) Includes amortization expense of Poly 1 Costs (if any) and					
25		negative amortization expense to recognize gains on test year asset sales.					

## TXU Gas - Distribution

GUD No. 9400

### Schedule I-1 (D) - Depreciation Expense - Workpaper

Line No.	NARUC Acct.	Description	TXU			Final Order		
			Adjusted Cost	Dep. Rate	Dep. Exp.	Adjusted Cost	Dep. Rate	Dep. Exp.
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1		<b>Distribution Plant Depreciation Expense</b>						
2		Test Year End Plant Balance	1,554,885,026	3.49%	54,265,487	1,461,135,188	3.49%	50,993,618
3		Poly 1 Cost Amortization			3,008,705			-
4		Negative Amortization of Gains on Sales (1)			-			(476,204)
5		Total Depreciation/Amortization			\$ 57,274,192			\$ 50,517,414
6								
7		<b>General Plant Depreciation Expense</b>						
8		General Plant Depreciation Expense						
9	303	Computer Software	25,332,809	13.86%	3,511,127	24,991,645	13.70%	3,422,731
10	389	Land	1,632,151	0.00%	-	1,824,731	0.00%	-
11	390	Structures & Improvements	16,675,660	3.18%	530,286	16,291,802	3.18%	518,079
12	391	Office Furniture & Equipment	6,795,129	0.99%	67,272	6,721,334	0.99%	66,541
13	392	Transportation Equipment	13,180,344	0.00%	-	13,180,344	0.00%	-
14	394	Tools, Shop, and Garage Equipment	-	0.00%	-	-	0.00%	-
15	396	Power Oper. Tool & Work Equip.	7,060,485	0.00%	-	7,060,208	0.00%	-
16	397	Radio Communication Equipment	3,412,702	0.45%	15,357	3,124,659	0.45%	14,061
17	398	Miscellaneous Equipment	14,807,532	1.40%	207,305	14,734,742	1.40%	206,286
18	399	Non-Mainframe Computer Equip.	2,000,752	15.78%	315,719	1,887,693	15.78%	297,878
19		Total General Plant	90,897,564	5.11%	4,647,066	89,817,158	5.04%	4,525,576
20								
21		Meter Shop Inventory	4,278,649		-	4,278,649		-
22								
23								
24		Total General Plant and Meter Shop Inventory	\$ 95,176,213		\$ 4,647,066	\$ 94,095,807		\$ 4,525,576
25								
26		<b>Total Depreciation/Amortization Expense</b>			\$ 61,921,259			\$ 55,042,990
27								
28		(1) Negative amortization expense to recognize gains on test year asset sales.						

## TXU Gas - Distribution

Gas Utilities Docket No. 9400

### Schedule J (D) - Cash Working Capital - Final Order

Line No.	Description	Adjusted Test Year Amount	Ref	Avg. Daily Expense	Revenue Lag Days (1)	Expense Lead Days (1)	Net Lead/Lag	Working Capital Requirement	TXU's Proposed Net Lead/Lag	Difference
	(a)	(b)	(c)	(d)=(b)/365	(e)	(f)	(g)=(e)+(f)	(h)=(d)x(g)		
1	Operation & Maintenance									
2	Purchased Gas Cost (1)	459,466,746	B	1,258,813	23.830	(48.434)	(24.604)	(30,971,206)	(24.439)	0.165
3	Pipeline Costs	75,444,523	B	206,697	23.830	(38.797)	(14.967)	(3,093,639)	(14.967)	-
4	Other O&M	164,130,220	B	449,672	23.830	(39.189)	(15.359)	(6,906,510)	(15.359)	-
5	Total Operation & Maintenance	699,041,489						(40,971,354)		
6										
7	Federal Income Taxes									
8	Current	7,913,821	W/P G-7D	21,681.70	23.830	(39.500)	(15.670)	(339,752)	(15.670)	-
9	Deferred	12,872,067	W/P G-7D	35,266	0.000	0.000	0.000	-	-	-
10	Total FIT	20,785,888	B					(339,752)		
11										
12	Taxes Other Than Income Taxes (2)	70,374,371	B	192,806	23.830	(95.799)	(71.969)	(13,876,059)	(40.255)	31.714
13										
14	Interest on Customer Advances & Deposits	1,597,580	B	4,377	23.830	(1,407.043)	(1,383.213)	(6,054,229)	(1,383.213)	-
15										
16	Depreciation Expense	55,042,990	B	150,803	0.000	0.000	0.000	-	-	-
17										
18	Return	63,563,562	B	174,147	0.000	0.000	0.000	-	-	-
19										
20	Sub-total	910,405,880						(61,241,394)		
21										
22	Average Daily Bank Balances (3)							-		
23	Working Funds and Other (3)							-		
24										
25	<b>Total Working Cash Allowance</b>							<b>\$ (61,241,394)</b>		

(1) Adjustment to Purchased Gas Cost Lead Days to reflect actual payment in April of Test Year.

(2) See adjustments in Schedule J-1

(3) Average Daily Bank Balances and Working Funds are excluded from CWC calculation.

## TXU Gas - Distribution

Gas Utilities Docket No. 9400

### Schedule J-1(D) - Cash Working Capital Workpaper - Final Order

#### Lead/Lag Day Calculation for Taxes Other Than Income Taxes

Line No.	Description	Amount	(Lead)/Lag Days	Weighted Dollar Days	TXU's Proposed (Lead)/Lag	Difference
	(a)	(b)	(c)	(d)		
1	FICA	3,624,988	(28.295)	(102,569,045)	(14.245)	14.050 (1)
2						
3	Federal Unemployment	58,556	(111.231)	(6,513,280)	(97.181)	14.050 (1)
4						
5	State Unemployment	109,853	(105.613)	(11,601,912)	(91.563)	14.050 (1)
6						
7	Total Payroll Related	3,793,398	(31.814)	(120,684,238)		
8						
9	State Gross Receipts	14,832,200	1.690	25,066,418	1.690	-
10						
11	Local Gross Receipts	33,287,682	(106.617)	(3,549,032,792)	(46.534)	60.083 (2)
12						
13	State Franchise Tax	234,006	0.708	165,676	0.708	-
14						
15	DOT Pipeline Fees	30,011	49.094	1,473,367	49.094	-
16						
17	Total Revenue Related	48,383,899	(72.800)	(3,522,327,331)		
18						
19	Ad Valorem	12,567,198	(203.660)	(2,559,435,463)	(203.660)	-
20						
21						
22	<b>Total</b>	64,744,494	(95.799)	(6,202,447,032)	(64.085)	31.714

(1) Adjustment to include vacation lead days in payroll tax lead day calculation.

(2) Adjustment to Franchise Fee Lead Days to reflect actual payment patterns as proposed by Dallas.

## TXU Gas - Distribution

Gas Utilities Docket No. 9400

### Schedule K (D) - Revenue

Line No.	Acct.	Description	Present Revenue As Adjusted	Increase (Decrease)	Proposed Revenue	Percent Change	Final Order (g)	Increase (Decrease)	Percent Change
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1		<b>Operating Revenue</b>							
2	480	Residential (non-Pipeline costs)	520,245,667	52,074,242	572,319,909	10.01%	547,079,050	26,829,568	5.16%
3		Residential (Pipeline costs)	39,392,229	3,889,548	43,281,777	9.87%	37,702,756	(1,685,658)	-4.29%
4		<b>Total Residential</b>	559,637,896	55,963,790	615,601,686	10.00%	584,781,805	25,143,909	4.49%
5									
6	481	Commercial (non-Pipeline costs)	263,687,465	2,534,178	266,221,643	0.96%	241,642,281	(22,036,799)	-8.36%
7		Commercial (Pipeline costs)	20,069,699	1,981,662	22,051,361	9.87%	21,112,025	1,033,941	5.19%
8		<b>Total Commercial</b>	283,757,164	4,515,840	288,273,004	1.59%	262,754,306	(21,002,858)	-7.40%
9									
10	481	Industrial/Transportation (non-Pipeline costs)	39,027,948	(906,554)	38,121,394	-2.32%	28,357,835	(10,671,003)	-27.34%
11		Industrial/Transportation (Pipeline costs)	9,181,326	906,554	10,087,880	9.87%	16,629,742	7,449,306	81.13%
12		<b>Total Industrial/Transportation</b>	48,209,274	-	48,209,274	0.00%	44,987,577	(3,221,697)	-6.68%
13									
14		Total (non-Pipeline costs)	822,961,080	53,701,866	876,662,946	6.53%	817,079,166	(5,878,234)	-0.71%
15		Total (Pipeline costs)	68,643,254	6,777,764	75,421,018	9.87%	75,444,523	6,797,589	9.91%
16		<b>Total Operating Revenue</b>	891,604,334	60,479,630	952,083,964	6.78%	892,523,689	919,355	0.10%
17									
18		<b>Other Revenue</b>							
19	487	Forfeited Discounts	11,220	-	11,220	0.00%	11,220	-	0.00%
20	488	Miscellaneous Service Charge Revenue (1)	8,570,565	7,899,570	16,470,135	92.17%	16,470,133	7,899,568	92.17%
21	493	Rent from Gas Property	1,391,477	-	1,391,477	0.00%	1,391,477	-	0.00%
22	495	Other Gas Revenues	9,362	-	9,362	0.00%	9,362	-	0.00%
23		<b>Total Other Revenue</b>	9,982,624	7,899,570	17,882,194	79.13%	17,882,192	7,899,568	79.13%
24									
25		<b>Total Operating and Other Revenue</b>	\$ 901,586,958	\$ 68,379,200	\$ 969,966,158	7.58%	\$ 910,405,881	\$ 8,818,923	0.98%

(1) See Schedule O-4 for Service Charge Revenue

**TXU Gas - Distribution**

**Schedule L (D) - Operation and Maintenance Expenses - Total Labor and Non-Labor**

Line No.	Acct (a)	Description (b)	TXU				Final Order	
			Total (c)	Labor Adjustments (d)	Non-Labor Adjustments (e)	As Adjusted (f)	Adj. (g)	Total (h)
1		<b><u>Distribution Operation Expense</u></b>						
2	870	Operation Supervision and Engineering	\$ 526,693	\$ -	\$ -	\$ 526,693	\$ -	\$ 526,693
3	874	Mains and Services Expenses	15,966,202	-	683,376	16,649,578	-	16,649,578
4	875	Measuring and Regulating Station Expenses - General	661,980	-	-	661,980	-	661,980
5	877	Measuring and Regulating Station Exp. - City Gate Chk. Sta.	255	-	-	255	-	255
6	878	Meter and House Regulator Expenses	7,977,094	-	-	7,977,094	-	7,977,094
7	879	Customer Installations Expenses	1,426,858	-	-	1,426,858	-	1,426,858
8	880	Other Expenses	10,123,146	-	(4,106)	10,119,040	-	10,119,040
9	881	Rents	37,920	-	-	37,920	-	37,920
10		Total Distribution Operation Expense	\$ 36,720,149	\$ -	\$ 679,270	\$ 37,399,419	\$ -	\$ 37,399,419
11		<b><u>Distribution Maintenance Expense</u></b>						
12	885	Maintenance Supervision and Engineering	46,267	-	-	46,267	-	46,267
13	886	Maintenance of Structures and Improvements	65	-	-	65	-	65
14	887	Maintenance of Mains	14,548,957	-	682,836	15,231,792	-	15,231,792
15	889	Maint. of Measuring and Regulating Station Equip. - General	1,299,799	-	-	1,299,799	-	1,299,799
16	890	Maint. of Measuring and Regulating Station Equip. - Industrial	4,959	-	-	4,959	-	4,959
17	892	Maintenance of Services	3,389,048	-	-	3,389,048	-	3,389,048
18	893	Maintenance of Meters and House Regulators	1,428,802	-	-	1,428,802	-	1,428,802
19	894	Maintenance of Other Equipment	637,448	-	-	637,448	-	637,448
20		Total Distribution Maintenance Expense	\$ 21,355,345	\$ -	\$ 682,836	\$ 22,038,181	\$ -	\$ 22,038,181
21		<b><u>Customer Accounts Expense</u></b>						
22	901	Supervision	(300)	-	-	(300)	-	(300)
23	902	Meter Reading Expense	7,539,432	-	(192)	7,539,240	-	7,539,240
24	903	Customer Records and Collection Expenses	37,249,826	-	-	37,249,826	-	37,249,826
25	904	Uncollectible Accounts	4,019,755	-	-	4,019,755	(565,939)	3,453,816
26	905	Miscellaneous Customer Accounts Expenses	-	-	-	-	-	-
27		Total Customer Accounts Expense	\$ 48,808,713	\$ -	\$ (192)	\$ 48,808,521	\$ (565,939)	\$ 48,242,582
28		<b><u>Customer Service Expense</u></b>						
29	910	Customer Assistance Expenses	3,830,118	-	(9,452)	3,820,666	-	3,820,666
30	911	Informational Advertising Expenses	34,690	-	(99)	34,591	-	34,591
31		Total Customer Service Expense	\$ 3,864,808	\$ -	\$ (9,551)	\$ 3,855,257	\$ -	\$ 3,855,257
32		<b><u>Sales Promotion Expense</u></b>						
33	915	Supervision	1,226	-	-	1,226	-	1,226
34	916	Demonstrating and Selling Expenses	147,654	-	(13,104)	134,550	-	134,550
35	917	Promotional Advertising Expenses	233,411	-	(1,125)	232,286	-	232,286
36	918	Miscellaneous Sales Promotion Expenses	64,505	-	(5,365)	59,139	-	59,139
37		Total Sales Promotion Expense	\$ 446,795	\$ -	\$ (19,594)	\$ 427,201	\$ -	\$ 427,201
38		<b><u>Administrative and General Expense</u></b>						
39	920	Administrative and General Salaries	3,203,201	(836,429)	-	2,366,772	(2,560,219)	(193,447)
40	921	Office Supplies and Expenses	520,717	-	77,654	598,371	-	598,371
41	923	Outside Services Employed	28,468,258	-	(1,231,477)	27,236,781	(4,434,207)	22,802,574
42	924	Property Insurance	175,804	-	61,556	237,360	-	237,360
43	925	Injuries and Damages	5,641,415	-	661,206	6,302,621	-	6,302,621
44	926	Employee Pensions and Benefits	15,643,649	-	4,739,114	20,382,764	(558,968)	19,823,796
45	928	Regulatory Commission Expenses	2,661,029	-	(2,661,029)	-	-	-
46	930.1	Institutional or Goodwill Advertising Expense	101,383	-	-	101,383	-	101,383
47	930.2	Miscellaneous General Expense	1,278,631	-	1,091,540	2,370,171	(340,955)	2,029,216
48	930.2	Regulatory Asset Amortization Exp. (see WP/K-7/7)	3,253,303	-	-	3,253,303	(3,253,303)	-
49	931	Rents	187,326	-	278,381	465,706	-	465,706
49	932	Maintenance of General Plant	-	-	-	-	-	-
50		Total Administrative and General Expense	\$ 61,134,717	\$ (836,429)	\$ 3,016,945	\$ 63,315,232	\$ (11,147,652)	\$ 52,167,580
51								
52		<b>Total Operation and Maintenance Expenses LABOR &amp; NON-LABOR</b>	\$ 172,330,527	\$ (836,429)	\$ 4,349,714	\$ 175,843,811	\$ (11,713,591)	\$ 164,130,220
53								
54		<b>Total O&amp;M Expense Excluding A&amp;G</b>	\$ 111,195,811	\$ -	\$ 1,332,768	\$ 112,528,579	\$ (565,939)	\$ 111,962,640

**TXU Gas - Distribution**

**Schedule L-1(D) - Operation and Maintenance Expenses - Labor**

Line No.	NARUC Acct	Description	TXU			Final Order	
			Total	Labor Adjustments	As Adjusted	Adj.	Total
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1		<b><u>Distribution Operation Expense</u></b>					
2	870	Operation Supervision and Engineering	\$ 385,326	\$ -	\$ 385,326	\$ -	\$ 385,326
3	874	Mains and Services Expenses	6,442,049	-	6,442,049	-	6,442,049
4	875	Measuring and Regulating Station Expenses - General	313,873	-	313,873	-	313,873
5	877	Measuring and Regulating Station Exp. - City Gate Chk. Sta.	-	-	-	-	-
6	878	Meter and House Regulator Expenses	6,227,080	-	6,227,080	-	6,227,080
7	879	Customer Installations Expenses	1,170,511	-	1,170,511	-	1,170,511
8	880	Other Expenses	4,568,876	-	4,568,876	-	4,568,876
9	881	Rents	25	-	25	-	25
10		Total Distribution Operation Expense	\$ 19,107,741	\$ -	\$ 19,107,740	\$ -	\$ 19,107,740
11		<b><u>Distribution Maintenance Expense</u></b>					
12	885	Maintenance Supervision and Engineering	33,392	-	33,392	-	33,392
13	886	Maintenance of Structures and Improvements	-	-	-	-	-
14	887	Maintenance of Mains	7,428,748	-	7,428,748	-	7,428,748
15	889	Maint. of Measuring and Regulating Station Equip. - General	1,005,864	-	1,005,864	-	1,005,864
16	890	Maint. of Measuring and Regulating Station Equip. - Industrial	241	-	241	-	241
17	892	Maintenance of Services	2,667,315	-	2,667,315	-	2,667,315
18	893	Maintenance of Meters and House Regulators	1,145,776	-	1,145,776	-	1,145,776
19	894	Maintenance of Other Equipment	1,229,631	-	1,229,631	-	1,229,631
20		Total Distribution Maintenance Expense	\$ 13,510,966	\$ -	\$ 13,510,966	\$ -	\$ 13,510,966
21		<b><u>Customer Accounts Expense</u></b>					
22	901	Supervision	-	-	-	-	-
23	902	Meter Reading Expense	5,777,929	-	5,777,929	-	5,777,929
24	903	Customer Records and Collection Expenses	5,061,738	-	5,061,738	-	5,061,738
25	904	Uncollectible Accounts	-	-	-	-	-
26	905	Miscellaneous Customer Accounts Expenses	-	-	-	-	-
27		Total Customer Accounts Expense	\$ 10,839,668	\$ -	\$ 10,839,668	\$ -	\$ 10,839,668
28		<b><u>Customer Service Expense</u></b>					
29	910	Customer Assistance Expenses	2,710,009	-	2,710,009	-	2,710,009
30	911	Informational Advertising Expenses	-	-	-	-	-
31		Total Customer Service Expense	\$ 2,710,009	\$ -	\$ 2,710,009	\$ -	\$ 2,710,009
32		<b><u>Sales Promotion Expense</u></b>					
33	915	Supervision	830	-	830	-	830
34	916	Demonstrating and Selling Expenses	-	-	-	-	-
35	917	Promotional Advertising Expenses	85,388	-	85,388	-	85,388
36	918	Miscellaneous Sales Promotion Expenses	-	-	-	-	-
37		Total Sales Promotion Expense	\$ 86,217	\$ -	\$ 86,217	\$ -	\$ 86,217
38		<b><u>Administrative and General Expense</u></b>					
39	920	Administrative and General Salaries	3,203,201	(836,429)	2,366,772	(2,560,219)	(193,447)
40	921	Office Supplies and Expenses	-	-	-	-	-
41	923	Outside Services Employed	151,586	-	151,586	-	151,586
42	924	Property Insurance	-	-	-	-	-
43	925	Injuries and Damages	-	-	-	-	-
44	926	Employee Pensions and Benefits	-	-	-	-	-
45	928	Regulatory Commission Expenses	-	-	-	-	-
46	930.1	Institutional or Goodwill Advertising Expense	-	-	-	-	-
47	930.2	Miscellaneous General Expense	-	-	-	-	-
48	930.2	Regulatory Asset Amortization Exp. (see WP/K-7/7)	-	-	-	-	-
49	931	Rents	-	-	-	-	-
50	932	Maintenance of General Plant	-	-	-	-	-
51		Total Administrative and General Expense	\$ 3,354,787	\$ (836,429)	\$ 2,518,358	\$ (2,560,219)	\$ (41,861)
52							
53		<b>Total Operation and Maintenance Expenses LABOR</b>	\$ 49,609,389	\$ (836,429)	\$ 48,772,959	\$ (2,560,219)	\$ 46,212,740
54							
55		<b>Total O&amp;M Expense Excluding A&amp;G - LABOR</b>	\$ 46,254,601	\$ -	\$ 46,254,601	\$ -	\$ 46,254,601

**TXU Gas - Distribution**

**Schedule L-2 (D) - Operation and Maintenance Expenses - Non-Labor**

Line No.	NARUC Acct	Description	TXU			Final Order	
			Total	Labor Adjustments	As Adjusted	Adj.	Total
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1		<b><u>Distribution Operation Expense</u></b>					
2	870	Operation Supervision and Engineering	\$ 141,367	\$ -	\$ 141,367	\$ -	\$ 141,367
3	874	Mains and Services Expenses	9,524,153	683,376	10,207,528	-	10,207,528
4	875	Measuring and Regulating Station Expenses - General	348,108	-	348,108	-	348,108
5	877	Measuring and Regulating Station Exp. - City Gate Chk. Sta.	255	-	255	-	255
6	878	Meter and House Regulator Expenses	1,750,014	-	1,750,014	-	1,750,014
7	879	Customer Installations Expenses	256,346	-	256,346	-	256,346
8	880	Other Expenses	5,554,269	(4,106)	5,550,164	-	5,550,164
9	881	Rents	37,895	-	37,895	-	37,895
10		Total Distribution Operation Expense	\$ 17,612,408	\$ 679,270	\$ 18,291,678	\$ -	\$ 18,291,678
11		<b><u>Distribution Maintenance Expense</u></b>					
12	885	Maintenance Supervision and Engineering	12,875	-	12,875	-	12,875
13	886	Maintenance of Structures and Improvements	65	-	65	-	65
14	887	Maintenance of Mains	7,120,208	682,836	7,803,044	-	7,803,044
15	889	Maint. of Measuring and Regulating Station Equip. - General	293,935	-	293,935	-	293,935
16	890	Maint. of Measuring and Regulating Station Equip. - Industrial	4,718	-	4,718	-	4,718
17	892	Maintenance of Services	721,733	-	721,733	-	721,733
18	893	Maintenance of Meters and House Regulators	283,026	-	283,026	-	283,026
19	894	Maintenance of Other Equipment	(592,183)	-	(592,183)	-	(592,183)
20		Total Distribution Maintenance Expense	\$ 7,844,379	\$ 682,836	\$ 8,527,215	\$ -	\$ 8,527,215
21		<b><u>Customer Accounts Expense</u></b>					
22	901	Supervision	(300)	-	(300)	-	(300)
23	902	Meter Reading Expense	1,761,502	(192)	1,761,310	-	1,761,310
24	903	Customer Records and Collection Expenses	32,188,088	-	32,188,088	-	32,188,088
25	904	Uncollectible Accounts	4,019,755	-	4,019,755	(565,939)	3,453,816
26	905	Miscellaneous Customer Accounts Expenses	-	-	-	-	-
27		Total Customer Accounts Expense	\$ 37,969,046	\$ (192)	\$ 37,968,853	\$ (565,939)	\$ 37,402,914
28		<b><u>Customer Service Expense</u></b>					
29	910	Customer Assistance Expenses	1,120,109	(9,452)	1,110,657	-	1,110,657
30	911	Informational Advertising Expenses	34,690	(99)	34,591	-	34,591
31		Total Customer Service Expense	\$ 1,154,799	\$ (9,551)	\$ 1,145,248	\$ -	\$ 1,145,248
32		<b><u>Sales Promotion Expense</u></b>					
33	915	Supervision	396	-	396	-	396
34	916	Demonstrating and Selling Expenses	147,654	(13,104)	134,550	-	134,550
35	917	Promotional Advertising Expenses	148,023	(1,125)	146,898	-	146,898
36	918	Miscellaneous Sales Promotion Expenses	64,505	(5,365)	59,139	-	59,139
37		Total Sales Promotion Expense	\$ 360,578	\$ (19,594)	\$ 340,984	\$ -	\$ 340,984
38		<b><u>Administrative and General Expense</u></b>					
39	920	Administrative and General Salaries	-	-	-	-	-
40	921	Office Supplies and Expenses	520,717	77,654	598,371	-	598,371
41	923	Outside Services Employed	28,316,672	(1,231,477)	27,085,195	(4,434,207)	22,650,988
42	924	Property Insurance	175,804	61,556	237,360	-	237,360
43	925	Injuries and Damages	5,641,415	661,206	6,302,621	-	6,302,621
44	926	Employee Pensions and Benefits	15,643,649	4,739,114	20,382,764	(558,968)	19,823,796
45	928	Regulatory Commission Expenses	2,661,029	(2,661,029)	-	-	-
46	930.1	Institutional or Goodwill Advertising Expense	101,383	-	101,383	-	101,383
47	930.2	Miscellaneous General Expense	1,278,631	1,091,540	2,370,171	(340,955)	2,029,216
48	930.2	Regulatory Asset Amortization Exp. (see WP/K-7/7)	3,253,303	-	3,253,303	(3,253,303)	-
49	931	Rents	187,326	278,381	465,706	-	465,706
50	932	Maintenance of General Plant	-	-	-	-	-
51		Total Administrative and General Expense	\$ 57,779,929	\$ 3,016,945	\$ 60,796,874	\$ (8,587,433)	\$ 52,209,441
52							
53		<b>Total Operation and Maintenance Expenses NON-LABOR</b>	\$ 122,721,139	\$ 4,349,714	\$ 127,070,852	\$ (9,153,372)	\$ 117,917,480
54							
55		<b>Total O&amp;M Expense Excluding A&amp;G - NON-LABOR</b>	\$ 64,941,209	\$ 1,332,768	\$ 66,273,978	\$ (565,939)	\$ 65,708,039

**GUD No. 9400**

**Schedule L-3 (D) - Final Order - Adjustments to Schedule L (D) Expenses**

Line	Description	Non-Labor						Labor
		Acct 874	Acct 903	Acct 904	Acct 923	Acct 926	Acct 930.2	Acct 920
1	1997 ERP						(1,672,036)	
2	OPEB						(1,225,971)	
3	1999 ERP						(246,837)	
4	1999 VS						(108,459)	
5	WINS BS						-	
6	WINS OE						-	
7	WINS Savings				(991,359)	(558,968)		(1,529,385)
8	TXU Bus Services				(2,877,834)			
9	Denton FF Lawsuit				-			
10	PGE WAC Lawsuit				-			
11	Poly 1 Legal				-			
12	Oncor Labeling						(340,955)	
13	PEP							(1,030,834)
14	DICP				(565,014)			
15	Uncoll. Accts.			(565,939)				
16	PIT	-						
17	SLA		-					
18	Other							
19	<b>Total</b>	-	-	(565,939)	(4,434,207)	(558,968)	(3,594,258)	(2,560,219)

GUD No. 9400

Schedule L-4 (D) - Final Order - TXU Business Services

Adjustments to Administrative and General Expense (Acct. 923)

Line No.	Number	Project Name	Distribution	Pipeline
1	10900000	TUS Regulatory Administration	-	-
2	10920109	City of Denton Litigation Suit	(10,887)	-
3	10921000	Rates & Regulatory-Admin (1)	(585,605)	-
4	10923000	Regulatory Support	-	-
5	10926062	Gas Bill Charges	(6,805)	-
6	10970001	Austin Reg.-Lobbyist Activity (1)	(276)	-
7	10984000	Reg Affairs-TXU Gas Distribution	-	-
8	11700001	Oncor Financial Planning	-	-
9	18130000	Oncor Revenue & Receivables	-	-
10	18210000	Oncor System Implementation	(82,991)	(82,991)
11	19400000	Print Services	-	-
12	19420000	Printing Services-Forms Management	-	-
13	19650000	Vehicle Graphics Changeout	(2,709)	(903)
14	19920000	TXU Acquisition Services	-	(317,168) (2)
15	20043300	Communications-INET Services	-	-
16	20043301	INET-Global	(48,695)	(21,718)
17	21820000	TXU Brand/Corporate	(257,102)	-
18	42100000	Desktop	(249,998)	-
19	42200000	Telephone	(175,223)	-
20	42300000	Data Network	(99,503)	-
21	42400000	Radio	(504,497)	-
22	42500000	App Port-MF Application	(55,547)	-
23	42700000	App Port-Client Server	(362,777)	(614,179)
24	42800000	Staff Support	(36,946)	(5,809)
25	42804000	Staff Support-Service Coordinator	(31,860)	-
26	42900000	I/T Management & Administration	(39,008)	-
27	43000000	Technical Planning, EIA, Chargeback, & Corp. Overhead	(257,703)	-
28	43200000	Account Team Management	-	(61,237)
29	50800000	Investor Relations	(26,456)	(26,456)
30	53900000	Tax Services	-	-
31	54200000	Claims & Legal Admin Services	(353,840)	-
32	54300000	Corporate Security Services	(96,234)	-
33	54600000	Compliance & Corporate Ethics	(58,075)	(33,042)
34	60320000	Tax Accounting	-	-
35	60347000	FIM-Migration & Upgrade	(91,553)	(49,185)
36	60400000	Property Accounting	-	-
37	81021000	Human Resources Information System (HRIS)	-	-
38	81024000	Benefits Administration	-	-
39	83010000	Procure Resources-Acquisition Services	-	-
40	13WELLNS	Wellness	(29,425)	(20,226)
41	428X0000	Information Technology Projects	-	-
42				
43		<b>Total</b>	<b>(3,463,715)</b>	<b>(1,232,914)</b>
44				
45		(1) Included in TXU Eratta Filing (2/6/04)	(585,881)	-
46				
47		<b>Net Adjustment</b>	<b>(2,877,834)</b>	<b>(1,232,914)</b>

(2) \$317,168 removed from Pipeline A & G Expense and capitalized (added) to Pipeline Invested Capital (Acct. 36502, Land Rights - Transmission)

## TXU Gas - Distribution

Gas Utilities Docket No. 9400

### Schedule M (D) - Federal Income Tax

Line No.	Description	Present Rates	Adj.	TXU Proposed	Adj.	Final Order
	(a)	(b)	(c)	(d)	(e)	(f)
1	Total Operating Income Before Income Taxes	37,234,701	48,838,912	86,073,613	(26,955,619)	59,117,994
2	Add: Interest and Other Charges	35,315,057	-	35,315,057	(10,083,602)	25,231,455
3	Less: Federal Income Taxes	13,126,735	17,093,619	30,220,354	(9,434,467)	20,785,888
4	Return on Invested Capital	59,423,023	31,745,293	91,168,316	(27,604,754)	63,563,562
5						
6	Deduct:					
7	Interest on operating items	35,315,057	-	35,315,057	(10,083,602)	25,231,455
8	Amortization of investment tax credits	-	-	-	-	-
9	Amortization of Excess Deferred Income Taxes	(7,278)	-	(7,278)	-	(7,278)
10	Social Club Dues	-	-	-	-	-
11	Total Deductions	35,307,779	-	35,307,779	(10,083,602)	25,224,177
12						
13	Add:					
14	Business meals not deductible	103,182	-	103,182	-	103,182
15	Prior year adjustments	51,198	-	51,198	-	51,198
16	Total Additions	154,380	-	154,380	-	154,380
17						
18	Taxable component of return	24,269,624	31,745,293	56,014,917	(17,521,152)	38,493,765
19						
20	Tax factor (1 / .65) * (.35)	53.84615%		53.84615%		53.84615%
21						
22	Federal income taxes before adjustments	13,068,259	17,093,619	30,161,878	(9,434,467)	20,727,412
23						
24	Tax credits:					
25	Deduct:					
26	Amortization of investment tax credits	-	-	-	-	-
27	Amortization of Excess Deferred Income Taxes	(7,278)	-	(7,278)	-	(7,278)
28	Add:					
29	Prior year adjustments	51,198	-	51,198	-	51,198
30						
31	Federal income taxes	13,126,735	17,093,619	30,220,354	(9,434,467)	20,785,888

## TXU Gas - Distribution

Gas Utilities Docket No. 9400

### Schedule N (D) - Taxes Other Than Income Tax

Line No.	Description (a)	Present Rates (b)	Adj. (c)	TXU Proposed (d)	Examiners' Adj. (e)	Final Order (f)
1	<b>Non Revenue - Related</b>					
2	Ad Valorem Tax	14,569,878	691,375	15,261,253	-	15,261,253
3	Payroll Tax	3,834,345	-	3,834,345	(201,275)	3,633,070
4	Franchise Tax (1)	234,006	1,900,679	2,134,685	0	2,134,685
5	DOT Pipeline User Fee	30,011	-	30,011	-	30,011
6	<b>Total Non Revenue - Related</b>	<b>\$ 18,668,240</b>	<b>\$ 2,592,054</b>	<b>\$ 21,260,294</b>	<b>\$ (201,274)</b>	<b>\$ 21,059,020</b>
7						
8	<b>Revenue - Related</b>					
9	State Gross Receipts - Tax	14,773,278	1,120,452	15,893,730	(975,946)	14,917,784
10	Local Gross Receipts - Tax	33,643,680	2,551,643	36,195,323	(2,222,555)	33,972,768
11	Railroad Commission Fees	420,685	31,906	452,591	(27,791)	424,800
12	<b>Total Revenue - Related</b>	<b>48,837,644</b>	<b>3,704,001</b>	<b>52,541,644</b>	<b>(3,226,293)</b>	<b>49,315,352</b>
13						
14	<b>Total Taxes Other Than Income</b>	<b>\$ 67,505,884</b>	<b>\$ 6,296,055</b>	<b>\$ 73,801,938</b>	<b>\$ (3,427,567)</b>	<b>\$ 70,374,371</b>

(1) Taxable Income Method per Examiners' revised recommendation.

## TXU Gas - Distribution

Gas Utilities Docket No. 9400

### Schedule N-1(D) - Taxes Other Than Income Tax - Workpaper

Line No.	Description (a)	Reference (b)	Amount (c)
1	<b>Payroll Tax</b>		
2	Recommended Labor Expense		46,212,740
3	Effective Tax Rate		7.8616%
4	Payroll Tax		<u>\$ 3,633,070</u>
5			
6	<b>Franchise Tax</b>		
7	<u>Taxable Capital Method</u>		
8	Taxable Capital	Schedule I (P)	\$ 397,945,766
9	Tax Rate		0.2500%
10	Franchise Tax Based on Capital		<u>\$ 994,864</u>
11			
12	<u>Taxable Income Method</u>		
13	Taxable Income	Per TXU WP/G-7.3 (P)	\$ 47,437,452
14	Tax Rate		4.5000%
15	Franchise Tax Based on Income		<u>\$ 2,134,685</u>
16			
17			
18			
19			
20	<b>State Gross Receipts Tax</b>		
21	Revenue Requirement		910,405,880
22	Effective Tax Rate		1.6386%
23	State Gross Receipts Tax at Recommended Rates		<u>\$ 14,917,784</u>
24			
25	<b>Local Gross Receipts Tax</b>		
26	Revenue Requirement		910,405,880
27	Effective Tax Rate		3.7316%
28	State Gross Receipts Tax at Recommended Rates		<u>\$ 33,972,768</u>
29			
30	<b>Railroad Commission Fee</b>		
31	Revenue Requirement		\$ 910,405,880
32	Effective Tax Rate		0.0467%
33	Total Railroad Commission Fee		<u>\$ 424,800</u>

**TXU Gas - Distribution**

Gas Utilities Docket No. 9400

**Schedule O-1(D) - Residential Rate Design - Rate R**

Line No.	Description (a)	Total (b)	Reference (c)
1	Residential Revenue Requirement	\$ 584,781,805	Schedule C (D)
2	Less Revenue Related Taxes	32,545,713	Schedule C (D)
3	Less Gas Cost & Pipeline Cost	314,197,054	Schedule C (D)
4	Less Revenue From Customer Charge	<u>145,155,240</u>	(Line 31 times Res.
5	Revenue Required From Commodity Rate	92,883,799	Customers times 12 months)
6			
7	Residential Block 1 (0-3 MCF)	33,535,700	
8	Residential Block 2 (Over 3 MCF)	<u>51,907,154</u>	
9			
10	Total Residential MCF	85,442,854	
11			
12	Revenue Required From Commodity Rate	\$ 92,883,799	
13	Plus (Block 2 MCF times \$0.25)	<u>12,976,789</u>	
14	Total	105,860,588	
15			
16			
17	Block 1 Commodity Rate ( All Mcf)	1.2390	line 14 / line 10
18	Block 2 Commodity Rate (Mcf)	0.9890	line 17 minus \$ 0.25
19			
20	Customer Charge Revenue	145,155,240	line 4
21	Block 1 Commodity Rate Revenue	41,550,732	line 17 times line 7
22	Block 2 Commodity Rate Revenue	51,336,175	line 18 times line 8
23	Revenue Related Taxes Revenue	32,545,713	line 2
24	Gas Cost Revenue	<u>314,197,054</u>	line 3
25	Total Revenue	\$ 584,784,914	
26			
27			
28			
29	<b>Rate R - Summary</b>	<b>TXU Proposed</b>	<b>Final Order</b>
30			
31	Customer Charge	\$ 12.00	\$ 9.00
32			
33	Block 1 Commodity Rate (0-3 Mcf)	\$ 0.9164	\$ 1.2390 per Mcf
34	Block 2 Commodity Rate (over 3 Mcf)	\$ 0.7164	0.9890 per Mcf
35			
36	Average Monthly Bill (6 Mcf without Gas Cost)	\$ 17.89	\$ 16.61 per Month
37			
38	Average Monthly Bill (6 Mcf with Gas Cost)	\$ 37.90	\$ 36.64 per Month

## TXU Gas - Distribution

Gas Utilities Docket No. 9400

### Schedule O-2(D) - Commercial Rate Design - Rate C

Line No.	Description (a)	Total (b)	Reference (c)
1	Commercial Revenue Requirement	\$ 262,754,306	Schedule C (D)
2	Less Revenue Related Taxes	14,327,192	Schedule C (D)
3	Less Gas Cost & Pipeline Cost	194,651,072	Schedule C (D)
4	Less Revenue From Customer Charge	<u>23,364,204</u>	(Line 31 times Res.
5	Revenue Required From Commodity Rate	30,411,837	Customers times 12 months)
6			
7	Commercial Block 1 MCF (0-30 Mcf)	15,390,045	TXU Sch. L-1(D), p. 2
8	Commercial Block 2 MCF (30-350 Mcf)	28,789,596	TXU Sch. L-1(D), p. 2
9	Commercial Block 3 MCF (Over 350 Mcf)	<u>9,447,763</u>	TXU Sch. L-1(D), p. 2
10			
11	Total Commercial MCF	53,627,404	Schedule F, line 8
12			
13	Revenue Required From Commodity Rate	30,411,837	
14	Plus Block 2 MCF times \$ 0.25	7,197,399	
15	Plus Block 3 MCF times \$ 0.50	<u>4,723,882</u>	
16	Total	42,333,118	
17			
18		<u>Three Step Rate</u>	
19	Block 1 Commodity Rate (Mcf)	0.7894	line 16 / line11
20	Block 2 Commodity Rate (Mcf)	0.5394	line 19 minus 0.25
21	Block 3 Commodity Rate (Mcf)	0.2894	line 19 minus 0.50
22			
23	Customer Charge Revenue	23,364,204	line 4
24	Block 1 Commodity Rate Revenue	12,148,800	line 19 times line 7
25	Block 2 Commodity Rate Revenue	15,528,918	line 20 times line 8
26	Block 3 Commodity Rate Revenue	2,734,120	line 21 times line 9
27	Revenue Related Taxes Revenue	14,327,192	line 2
28	Gas Cost Revenue	<u>194,651,072</u>	line 3
29	Total Revenue	\$ 262,754,307	
30			
31			
32			
33	<b>Rate C - Summary</b>	<b>TXU Proposed</b>	<b>Final Order</b>
34			
35	Customer Charge	\$ 20.00	\$ 15.50
36			
37	Block 1 Commodity Rate (0-30 Mcf)	\$ 1.0769	\$ 0.7894 per Mcf
38	Block 2 Commodity Rate (30-350 Mcf)	\$ 0.8769	\$ 0.5394 per Mcf
39	Block 3 Commodity Rate (Over 350 Mcf)	\$ 0.6770	\$ 0.2894 per Mcf
40			
41	Average Monthly Bill (30 Mcf without Gas Cost)	\$ 55.36	\$ 41.44 per Month
42			
43	Average Monthly Bill (30 Mcf with Gas Cost)	\$ 155.45	\$ 141.46 per Month

**TXU Gas - Distribution**

Gas Utilities Docket No. 9400

**Schedule O-3 (D) - Industrial Sales / Transportation Rate Design - Rates I and T**

Line No.	Description (a)	Total (b)	Reference (c)
1	Industrial Sales / Transportation Revenue Requirement	\$ 44,987,577	Schedule C (D)
2	Less Revenue Related Taxes	2,442,447	Schedule C (D)
3	Less Gas Cost & Pipeline Cost	26,063,143	Schedule C (D)
4	Less Revenue From Customer Charge	2,354,400	(Line 38 times Res.
5	Revenue Required From Commodity Rate	<u>14,127,587</u>	Customers times 12 months)
6			
7	Industrial Sales / Transportation Block 1 MCF (0-1,500 MMBtu)	8,935,784	TXU Sch. L-1(D), p. 2
8	Industrial Sales / Transportation Block 2 MCF (Next 3,500 MMBtu)	12,905,297	TXU Sch. L-1(D), p. 2
9	Industrial Sales / Transportation Block 3 MCF (Next 45,000 MMBtu)	25,863,736	TXU Sch. L-1(D), p. 2
10	Industrial Sales / Transportation Block 4 MCF (Over 50,000 MMBtu)	<u>13,936,083</u>	
11			
12	Total Industrial Sales / Transportation MMBtu	61,640,901	Schedule F, line 8
13			
14	Revenue Required From Commodity Rate	14,127,587	
15	Plus Block 2 MMBtu times \$ 0.15	1,935,795	
16	Plus Block 3 MMBtu times \$ 0.30	7,759,121	
17	Plus Block 4 MMBtu times \$ 0.45	<u>6,271,237</u>	
18	Total	30,093,740	
19			
20		<u>Four Step Rate</u>	
21	Block 1 Commodity Rate (per MMBtu)	0.4882	line 18 / line12
22	Block 2 Commodity Rate (per MMBtu)	0.3382	line 21 minus 0.15
23	Block 3 Commodity Rate (per MMBtu)	0.1882	line 21 minus 0.30
24	Block 4 Commodity Rate (per MMBtu)	0.0382	line 21 minus 0.45
25			
26	Customer Charge Revenue	2,354,400	line 4
27	Block 1 Commodity Rate Revenue	4,362,544	line 21 times line 7
28	Block 2 Commodity Rate Revenue	4,364,708	line 22 times line 8
29	Block 3 Commodity Rate Revenue	4,867,829	line 23 times line 9
30	Block 4 Commodity Rate Revenue	532,506	line 24 times line 10
31	Revenue Related Taxes Revenue	2,442,447	line 2
32	Gas Cost Revenue	<u>26,063,143</u>	line 3
33	Total Revenue	\$ 44,987,576	
34			
35			
36			
37	<b>Rate T - Summary</b>	<b>TXU Proposed</b>	<b>Final Order</b>
38			
39	Customer Charge	\$ 150.00	\$ 150.00
40			
41	Block 1 Commodity Rate (0-1,500 MMBtu)	\$ 0.5438	\$ 0.4882 per MMBtu
42	Block 2 Commodity Rate (Next 3,500 MMBtu)	\$ 0.4461	\$ 0.3382 per MMBtu
43	Block 3 Commodity Rate (Next 45,000 MMBtu)	\$ 0.3484	\$ 0.1882 per MMBtu
44	Block 4 Commodity Rate (Over 50,000 MMBtu)	\$ 0.2509	\$ 0.0382 per MMBtu
45			
46	Average Monthly Bill (300 MMBtu without gas cost)	\$ 331.43	\$ 313.48 per Month
47			
48	Average Monthly Bill (300 MMBtu with gas cost)	\$ 1,332.33	\$ 1,313.43 per Month

**TXU Gas - Distribution**

Gas Utilities Docket No. 9400

**Schedule O-4(D) - Service Charge Revenue - Rate M**

Line No.	Service Charge (a)	Present Rate (b)	2002 Orders (c)	Total Present (d)	Final Order (e)	2002 Orders (f)	Total (g)	Increase (h)	% (i)
1	Connect Charge	35.00	207,494	7,262,290	65.00	207,494	13,487,110	6,224,820	85.71%
2									
3	Service Call Charge	-	35,676	-	26.00	35,676	927,576	927,576	100.00%
4									
5	Returned Check Charge	16.25	13,289	215,946	20.00	13,289	265,780	49,834	23.08%
6									
7	Field Read of Meter Charge	12.00	88,477	1,061,724	19.00	88,477	1,681,063	619,339	58.33%
8									
9	Tampering Charge	-	624	-	125.00	624	78,000	78,000	100.00%
10									
11	Adjustment			30,604			30,604		
12									
13	<b>Total</b>			<b>\$ 8,570,564</b>			<b>\$ 16,470,133</b>	<b>\$ 7,899,569</b>	<b>92.17%</b>